

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re Terrorist Attacks on September 11, 2001	03 MDL 1570 (RCC) ECF Case  <b>AMENDED RICO STATEMENT Applicable to Dar Al Maal Al Islami Trust, and DMI Administrative Services, S.A.</b>
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*This document relates to:* Federal Insurance Co. v. al Qaida  
03 CV 06978 (RCC)

**AMENDED RICO STATEMENT APPLICABLE TO DAR AL MAAL AL ISLAMI  
TRUST AND DMI ADMINISTRATIVE SERVICES, S.A.**

Based on information currently available, plaintiffs submit this Amended RICO statement pursuant to the Case Management Order dated June 15, 2004 for defendants Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A.

Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, much information is presently unavailable to plaintiffs, absent discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.

1. The unlawful conduct is in violation of 18 U.S.C. § 1962(c) and/or (d).
  
2. The names of the defendants to whom this RICO statement pertains is Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A. The alleged misconduct and basis for liability is set forth in Exhibit "A".
  
3. Not applicable. All known wrongdoers are named as defendants in this action. Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, however, much information is unavailable to plaintiffs, and the identities of other wrongdoers may be revealed through discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.

4. The name of each victim and the manner in which each was injured is indicated on the chart attached hereto as Exhibit "B".
5. (a) list of predicate acts and specific statutes violated:

conspiracy to commit murder	NY CLS Penal § 105.15; NY CLS Penal § 125.25(xi)
conspiracy to commit arson	NY CLS Penal § 105.15; NY CLS Penal § 150.15
Travel Act	18 U.S.C. § 1952
illegal transactions in monetary instruments	18 U.S.C. § 1956
money laundering	18 U.S.C. § 1957
Anti Terrorism Act	18 U.S.C. § 2332(b)

- (b) dates of, the participants in, and a description of the facts surrounding the predicate acts

<b>DATES</b>	<b>PARTICIPANTS</b>	<b>FACTS</b>
early 1990s to 9/11/2001	Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A.	Throughout this period, Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A. conspired to support terrorism and to obfuscate the roles of the various participants and conspirators in the al Qaida Movement, which conspiracy culminated in the Attack.
early 1990s to 9/11/2001	Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A.	Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A. undertook the above-named actions as part of a conspiracy to commit murder and arson, in that they knew that the Enterprise in which they were participating, the al Qaida Movement, planned to and would commit an act of deadly aggression against the United States in the near future, using the resources and support supplied by Dar Al Maal Al Islami

		Trust and DMI Administrative Services, S.A.
early 1990s to 9/11/2001	Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A.	Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A. agreed to form and associate themselves with the Enterprise and agreed to commit more than two predicate acts in furtherance of a pattern of racketeering activity in connection with the Enterprise.

(c) not applicable

(d) No.

(e) No.

(f) The predicate acts form a pattern of racketeering in that they are continuous, and are a part of the Enterprise’s regular way of doing business. Other of the defendants consistently, evenly constantly, laundered money, filed false tax returns, and otherwise impeded and impaired the administration of the tax laws as part of their scheme to conduit money to terrorists, and yet obfuscate their support of the al Qaida Movement.

(g) The predicate acts relate to each other (horizontal relatedness) as part of a common plan because each act of money laundering and tax evasion allowed certain of the defendants to surreptitiously provide funds to terrorist organizations, including al Qaida, which conspiracy culminated in the Attack.

6.

(a) The enterprise (the “Enterprise” or “al Qaida Movement”) is comprised of the defendants named in the First Amended Complaint, and is a collection of persons, organizations, businesses, and nations associated in fact.

(b) The Enterprise has its origins in the defeat of the Soviets in Afghanistan in the late 1980s, when Osama Bin Ladin (“Bin Ladin”) formed an organization called “The Foundation” or “al Qaida.” Al Qaida was intended to serve as a foundation upon which to build a global Islamic army. The structure of the Enterprise is an association in fact with common and complex goals that consist of far more than the mere desire to perpetrate the acts of racketeering outlined herein. Rather, the Enterprise utilizes acts of racketeering to further its overall common purposes of: (i) spreading a particularly virulent brand of radical, conservative Islam; (ii) eliminating Western influences in Islamic countries; and (iii) punishing Israel, and the United States for its perceived support of Israel. The al Qaida Movement does not feature a centralized hierarchy, because the lack of a centralized hierarchy is essential to the Enterprise’s clandestine nature and its success. Thus, although al Qaida had its own membership roster and a structure of “committees” to guide and oversee such functions as training terrorists,

proposing targets, financing operations, and issuing edicts, the committees were not a hierarchical chain of command but were instead a means for coordinating functions and providing material support to operations. DMI Trust and DMI Administrative Services, S.A. fit neatly into this framework by facilitating the transfer of funds to and otherwise providing material support for the members of the Enterprise who engaged in the Attack.

- (c) No.
  - (d) DMI Trust and DMI Administrative Services, S.A., are associated with the Enterprise.
  - (e) DMI Trust and DMI Administrative Services, S.A. are members of the Enterprise, and are separate and distinct from the Enterprise.
  - (f) DMI Trust and DMI Administrative Services, S.A. intended to further the Attack and adopted the goal of furthering and/or facilitating that criminal endeavor, which criminal activity culminated in the Attack.
7. The pattern of racketeering activity conducted by DMI Trust and DMI Administrative Services, S.A. is separate from the existence of the al Qaida Movement, but was a necessary component to the Attack.
  8. The Enterprise conducts terrorism all over the world; the racketeering activity conducted by DMI Trust and DMI Administrative Services, S.A. facilitates the funding of that activity, which activity culminated in the Attack. The usual and daily activities of the Enterprise include recruitment, indoctrination, and the provisioning and operation of training camps, all of which activities are funded by the racketeering activities described herein.
  9. The Enterprise benefits by spreading its ideology, by suppressing other forms of Islam, and through the gratification of destroying its perceived enemies.
  10. The Enterprise relies heavily on the American interstate system of commerce for banking, supplies, communications, and virtually all its essential commercial functions, and in that manner affects interstate commerce. Additionally, the Attack itself affected commerce. See Rasul v. Bush, 124 S. Ct. 2686, No. 03-334, 2004 U.S. LEXIS 4760, \* 8 (stating that the Attack “severely damaged the U.S. economy”).
  11. Not applicable.
  12. Not applicable.
  13. The Al Qaida Movement “employs” certain individuals, only a few of whose identities are known, including defendant Osama bin Ladin.
  14. The history of the conspiracy behind the al Qaida Movement could, and has, filled many books, but for purposes of the present RICO Statement, the following is offered. After being turned out of the Sudan in May 1996, al Qaida established itself in Afghanistan,

and relied on well-placed financial facilitators, including Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A. who laundered funds from Islamic so-called charities and corporations and raised money from witting and unwitting donors. They also relied heavily on individuals and institutions who were willing to divert the *Zakat*, the mandatory charitable contributions required of all Muslims. Al Qaida also collected money from employees of corrupted charities.

The funds thus raised were used to, among other things, operate terrorist training camps in Sudan, Afghanistan and elsewhere, at which some recruits were trained in conventional warfare but the best and most zealous recruits received terrorist training. The curriculum in the camps placed with great emphasis on ideological and religious indoctrination. All trainees and other personnel were encouraged to think creatively about ways to commit mass murder.

The camps were able to operate only because of the worldwide network of recruiters, travel facilitators, and document forgers who vetted recruits and helped them get in and out of Sudan, Afghanistan and other regions where al Qaida maintained training camps and operations. From the ranks of these recruits the nineteen perpetrators of the Attack were selected. None of this would have been possible without the support provided by participants and conspirators like Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A. Indeed, the Enterprise would not have been successful without the enthusiastic participation of all of the conspirators, including Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A. Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A. with knowledge and intent, agreed to the overall objectives of the conspiracy, and agreed to commit at least two predicate acts and all agreed to participate in the conspiracy, either expressly or impliedly. Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A. also, with knowledge and intent, agreed to and did aid and abet all of the above illegal activities, RICO predicate acts, and RICO violations.

15. As the subrogees of both individual and property claimants, plaintiffs have been harmed in their business and property through the claims that they have paid out or for which they have reserved.
16. Plaintiffs' damages -- injuries, the loss of life and property damage that resulted from defendants' actions -- are direct in that they are not derivative of damage to a third party. Rather the plaintiffs' insureds' assignees were the "reasonably foreseeable victims of a RICO violation" and the "intended victims of the racketeering enterprise," *i.e.*, terrorism, the culmination of which was the Attack.
17. Each defendant is jointly and severally liable for the damages suffered by each plaintiff, as set forth in Exhibit "C".
- 18.

<b>VI</b>	Torture Victim Protection Act,
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	28 U.S.C. § 1350
<b>VIII</b>	RICO, 18 U.S.C. § 1962(c), 1962(d)
<b>X</b>	Anti-Terrorism Act, 18 U.S.C. § 2333

19. pendent state claims:

<b>I</b>	Trespass
<b>II</b>	Wrongful Death
<b>III</b>	Survival
<b>IV</b>	Assault & Battery
<b>V</b>	Intentional and Negligent Infliction of Emotional Distress
<b>VII</b>	Conspiracy
<b>IX</b>	Aiding and Abetting
<b>XI</b>	Negligence
<b>XII</b>	Punitive Damages

20. not applicable

**EXHIBIT "A"**

**RICO STATEMENT**

**QUESTION # 2**

<b>DEFENDANT</b>	<b>MISCONDUCT</b>	<b>BASIS OF LIABILITY</b>
<p>Dar Al Maal Al Islami Trust and DMI Administrative Services, S.A.</p>	<p>Dar Al Maal Al Islami Trust ("DMI Trust") and DMI Administrative Services, S.A. ("DMI S.A.") are part of a network of related and intertwined financial institutions, collectively known as Dar Al Maal Al Islami ("DMI"), also known as the "House of Islamic Money" – created on July 29, 1981 and headquartered at avenue Louis-Casai 84, in Cointrin, Geneva, Switzerland.</p> <p><b><u>Organizational Structure and Purpose of Dar Al Maal Al Islami, DMI Administrative Services S.A. and Daar Al-Maal Al-Islami Trust</u></b> -- DMI is the predecessor-in-interest to DMI Trust and DMI S.A. DMI S.A. is located in Geneva, Switzerland. The DMI Trust has an "extensive network stretching over four continents, with well integrated regional subsidiaries enabling it to respond to local business needs and conditions."<sup>1</sup> These continents include North America, Europe, Africa and Asia. DMI S.A. provides assistance to the Board of Supervisors of DMI Trust, and "under its direction to subsidiaries, in particular in the areas of legal and financial control, audit and risk management and information technology."<sup>2</sup> Therefore, DMI Trust and DMI S.A. directly participate in the oversight and management of DMI Trust's subsidiary and associate entities. DMI Trust owns 100% of DMI S.A. DMI S.A. is both a wholly owned subsidiary and an agent of DMI Trust. DMI S.A. and DMI Trust are referred to collectively herein as "DMI." The network of DMI companies or entities are or were also known or referred to as "Dar Al Maal Al Islami" (or "House of Islamic Money").</p> <p>DMI's main subsidiaries and affiliates are DMI S.A., Islamic Investment Company of the Gulf, the Faisal Islamic Bank of Bahrain, Shamil Bank of Bahrain (also referred to as Al Shamil Islamic Bank), Faisal Islamic Bank of Sudan, Tadamon Islamic Bank, Faisal Finance S.A. (Switzerland), Faisal Islamic Bank of Egypt, and Al Shamal Islamic Bank, as described herein. DMI and its related companies are purposefully structured, in part, to conceal the means by which they have promoted Islamic radical activities, including those of Osama bin Laden.</p>	<p>1962(c) 1962(d)</p>

DMI Trust is an Islamic Financial Institution founded in 1981.<sup>3</sup> "DMI acts as a bridge between the world's leading financial centers and the Islamic countries with which the group has a special relationship."<sup>4</sup> Financial and business institutions established by DMI Trust include banking, investment, Takafol (insurance), Retakafol (reinsurance) and business companies. Asset management, however, is the Group's core business activity. "The Trust's policy is determined by its fifteen-member Board of Supervisors. To ensure strict conformity with Islamic principles, all DMI operations are reviewed and approved by its Religious Board. The Trust's administrator, DMI Administrative Services S.A., located in Geneva, Switzerland focuses on group strategy, corporate activities, legal and financial affairs, audit and technical assistance to subsidiaries."<sup>5</sup> DMI S.A. is a wholly owned subsidiary directly controlled by DMI Trust that puts into action the investments, strategies, distributions, and policies of the DMI Trust. DMI S.A. acts as one of DMI Trust's operational arms.

Since its establishment, DMI has advocated and pursued, both directly and through its subsidiaries and affiliates, a financial jihad in the modern era. DMI was founded "to remove the blemish that strikes at financial and economic transactions of Muslims in the contemporary era."<sup>6</sup> DMI is one important element of an "entire series of measures aimed at setting up an integrated network of institutions that will form the basis of an Islamic economy and announce to the Umma (Muslim Community) that an era of prosperity and power in the world is opening up to it, God willing, the path to paradise."<sup>7</sup> "It is in Islam in all its power and its momentum that the Lord blesses; there resides the difference between the strong Muslim and the weak Muslim. The strong engages in jihad, in the name of Islam, in order to thwart the blemishes that sully his era, while the weak renounces all form of jihad and prefers to hide away, choosing rituals as his only refuge, surrendering the way to seeds of evil."<sup>8</sup>

Significantly, the DMI spokesman quoted above refers to his brothers in the banking industry as Mujahideen. As Mujahid (singular of mujahideen) is the title given to a warrior engaged in violent jihad, it is apparent that the DMI spokesman intended to advance a violent form of jihad through his comments, and not merely a peaceful and legitimate form of jihad (referring to a Muslim's strife or struggle for the advancement of Islam).

In a 1984 letter to the Directors of DMI Trust, Chairman Mohammed Al Faisal Al Saud reaffirmed DMI's commitment to



financial jihad: "May Allah bless your Jihad and all your efforts. May He aid you and affirm your faith."<sup>9</sup>

Although the DMI Trust website lists its contact information as DMI SA in Switzerland, the DMI Trust is registered in the Bahamas (as the Dar Al-Maal Al-Islami Trust) (Registered Office), 10 Deveaux Street, P.O. Box N-9935, Nassau) as of 1981.

**DMI Liability** – DMI has, over a period of many years, directly and through its subsidiaries and affiliates, knowingly provided material support and resources to al Qaeda and/or affiliated individuals and entities. DMI's misconduct includes laundering money for al Qaeda, knowingly and intentionally providing financial services to al Qaeda (including maintaining and servicing al Qaeda bank accounts and accounts used to fund and support al Qaeda), and/or facilitating weapons and military equipment purchases and money transfers for al Qaeda. In addition, DMI's *Zakat* accounts have been used to support al Qaeda. In addition, DMI companies have facilitated financial transactions for, and advertised, maintained and serviced accounts on behalf of, several of al Qaeda's known charity fronts, including al Haramain Islamic Foundation, International Islamic Relief Organization and the Muslim World League. DMI has also entered into business partnerships with prominent al Qaeda supporters, such as the National Islamic Front, the fundamentalist regime which has ruled Sudan since 1989 and provided safe haven to Osama bin Laden and al Qaeda from 1991 through 1996. Through these actions, DMI has knowingly conspired to support al Qaeda's global jihad, and aided and abetted that terrorist organization.

DMI's knowing and intentional conduct enabled al Qaeda to plan, orchestrate and carry out violent anti-American, anti-democratic activity, including the September 11<sup>th</sup> attack that injured plaintiffs.

**Faisal Islamic Bank of the Sudan** -- An associated company of the DMI Trust is the Faisal Islamic Bank of the Sudan.<sup>10</sup> The Faisal Islamic Bank of the Sudan has served on the Board of Supervisors of the DMI Trust.<sup>11</sup> Statements by officials of DMI Trust confirm DMI's direct involvement in Faisal Islamic Bank's operations. In the Annual Report for the DMI Trust in 1989, the Chairman, Mohammed Al Faisal Al Saud, stated: "Relations with our affiliates, the Faisal Islamic Bank of Egypt and the Faisal Islamic Bank of Sudan have been further strengthened. DMI has actively participated in their investment operations and other activities. During the year, DMI Trust increased its capital participation in various subsidiaries and affiliates."<sup>12</sup>

Prince Mohammed founded Faisal Islamic Bank of Sudan in 1977 in partnership with the National Islamic Front (NIF), the radical Islamist party headed by Hassan al Turabi which has dominated Sudanese politics for several decades and controlled the government of Sudan since 1989. Members of the Muslim Brotherhood and NIF occupy prominent positions on the Board of Directors of the Faisal Islamic Bank. In addition, the NIF has granted Faisal Islamic Bank privileges which were denied other banks, including full tax exemption on assets, profits, wages and pensions, as well as guarantees against confiscation or nationalization. Moreover, the bank has supplied loans to the NIF and to its prominent members. In fact, the relationship remained so close that the Faisal Islamic Bank of the Sudan permitted the NIF to operate, at least as late as 1992, from the penthouse of the bank's headquarters.<sup>13</sup> Through this association, "Turabi's party became the best financed in the Sudan."<sup>14</sup>

Al Qaeda has materially benefited from the business relationship among DMI, Faisal Islamic Bank and the NIF. In 1989, Hassan al Turabi, the ideological and political leader of the NIF, invited Osama bin Laden to move the entire al Qaeda organization to Sudan. Bin Laden accepted the invitation, and transplanted his nascent terrorist organization to Sudan in 1991. Bin Laden and the organization remained in Sudan until 1996, when international pressure forced the NIF to request that bin Laden leave Sudan for Afghanistan. During the five years that al Qaeda resided in Sudan, the organization maintained a symbiotic relationship with the NIF, and enjoyed the NIF's complete protection. The protection, support and safehaven provided by the NIF allowed al Qaeda to grow from a small organization with less than 20 dedicated members to a global terrorist empire. In addition, while in Sudan, al Qaeda established several businesses in partnership with the NIF, to fund al Qaeda's campaign to attack America.

Absent the support and safehaven provided by the NIF during this time, al Qaeda would not have possessed the resources and knowledge necessary to plan, coordinate and carry out the September 11<sup>th</sup> Attack.

The benefits al Qaeda derived from its relationship with the NIF were made possible, at least in part, by the partnership between the NIF and Faisal Islamic Bank, which partnership helped the NIF retain power in Sudan during the relevant time period. As a corollary, it is reasonable to infer that DMI and Faisal Islamic Bank hoped to reap financial benefit from the NIF's relationships with

bin Laden. As Islamic banking institutions, DMI and Faisal Islamic Bank are forbidden to charge interest. Instead, the banks enter into partnerships with their depositors and borrowers, and share in the financial success of those partnerships. As Prince Mohammad al Faisal al Saud has explained: “We make money when our borrowers make money. If they don’t we don’t collect anything.” By virtue of this system, DMI and Faisal Islamic Bank were partners with the NIF in the NIF’s endeavors, including those involving Osama bin Laden.

Given Faisal Islamic Bank’s close relationship with the NIF, and the NIF’s direct role in managing the bank’s operations, DMI and Faisal Islamic Bank were necessarily aware that Osama bin Laden was using the NIF’s protection to build a global terrorist empire in Sudan. Indeed, bin Laden’s relationship with the NIF and Hassan al Turabi was widely publicized. In fact, Turabi held an elaborate reception for bin Laden at the time of his arrival in Sudan. News reports during this period confirmed bin Laden’s ambition to conduct a global jihad and to attack America, and that thousands of *mujihadeen* were traveling to Sudan to receive terrorist training. By virtue of these reports, and their close relationship with the NIF, DMI and Faisal Islamic Bank necessarily were aware of al Qaeda’s relationship with the NIF during this time.

Al Qaeda was so confident in the absolute protection of the NIF that it openly maintained accounts at Faisal Islamic Bank. Former al Qaeda financial officer Jamal Ahmed Al-Fadl testified in the 1998 Africa Embassy bombings trial that Faisal Islamic Bank in Khartoum had held bank accounts for al Qaeda operatives during bin Laden's years of operation in Sudan:

Q. Where were the accounts [of al Qaeda] held? In what countries?

A. (...) we got account in Bank Faisl Islami [Faisal Islamic Bank].

Q. Is that also in Khartoum?

A. Yes.<sup>15</sup>

**Connections To The Al Shamal Islamic Bank of Sudan** -- The Faisal Islamic Bank of the Sudan was a founding member of the Al Shamal Islamic Bank in Sudan and one of the bank's principal shareholders.<sup>16</sup>

The other co-founders of the bank included the government of the Northern State of Sudan, which was under the control of the NIF and Hassan Al Turabi, and co-defendants Sheik Saleh Abdullah Kamel and Al Baraka for Investment and Development. Main shareholders included the following co-defendants: the predecessor of the Benevolence International Foundation, Al Baraka for

Investment and Development, and Sheik Saleh Abdullah Kamel.

The Faisal Islamic Bank of Sudan is also a shareholder of the Tadamon Islamic Bank which was a founding shareholder of the Al Shamal Islamic Bank. The Tadamon Islamic Bank was formed in the Sudan on November 28, 1981.

A spokesman and shareholder for Al Shamal Islamic Bank issued a statement in 1998 promoting jihad as envisioned by the DMI Trust, urging "all those who are able to carry a gun to join the [military training] camps.... Jihad has now become an obligation that comes before any other duty."<sup>17</sup>

DMI Trust is a major investor in Al Shamal Bank. Another major shareholder of Al Shamal Bank, Tadamon Bank, is an indirect subsidiary of DMI Trust through Faisal Islamic Bank (Sudan).

The Al Shamal Islamic Bank was capitalized by Osama bin Laden in the amount of fifty million U.S. dollars (\$50,000,000.00). "[Osama bin Laden] in concert with National Islamic Front leaders, built a network of businesses, including an Islamic Bank Al Shamal."<sup>18</sup> Osama bin Laden continued to use this bank to finance his terrorist training activities in Sudan and to support his world wide terrorist network. In addition, Al Shamal Bank regularly provided financial and account services to al Qaeda operatives -- six of whom held bank accounts at Al Shamal Bank. Osama Bin Laden paid al Qaeda members from Al Shamal Bank accounts. Moreover, money from these Al Shamal accounts was deposited, housed, and transferred to other al Qaeda members to buy military equipment including an airplane which was delivered to Osama Bin Laden to be used to transport missiles.

Jamal Ahmed Al-Fadl, a former financial officer for Osama bin Laden, testified in the 1998 Africa Embassy bombings trial that Osama bin Laden and at least six al Qaeda operatives held accounts in their own names at the Al Shamal Islamic Bank.<sup>19</sup> Osama bin Laden also financed the al Qaeda network in part through the Al Shamal Bank:

When you worked for Osama bin Laden in the Sudan, how much were you paid?  
\$1,200 a month.  
For how long did you work for him [Osama bin Laden]?  
Almost two years.  
What Banks did he keep his money at?  
Bank Al Shamar.<sup>20</sup> [In responding "Bank Al Shamar," Al-Fadl was referring to Al Shamal Islamic Bank.]

Jamal Al-Fadl also testified that he transferred one hundred thousand U.S. dollars (\$100,000.00) on Osama bin Laden's behalf to an al Qaeda representative in Jordan.<sup>21</sup> In the same trial, another former al Qaeda operative stated that the Al Shamal Islamic Bank was used for operational purposes. The witness was wired two hundred fifty thousand U.S. dollars (\$250,000.00) *via* the Bank of New York for the purchase of stinger missiles and an airplane which he delivered to Osama bin Laden.<sup>22</sup>

The General Manager of Al Shamal Islamic Bank acknowledged in a September 2001 press release that Osama bin Laden had two accounts in the bank. The accounts were opened on March 30, 1992 for the company Al-Hijrah for Construction and Development Ltd. According to the U.S. State Department, the company worked directly with Sudanese military officials to transport soldiers and materials to terrorist training camps in the Sudan. A third account was opened in 1993 under the name of Osama bin Laden's holding company Wadi Al Aqiq, a company registered in Saudi Arabia.<sup>23</sup> This company, according to the U.S. State Department, was founded by prominent National Islamic Front members and exercises a monopoly over major agricultural exports from the Sudan.<sup>24</sup>

Senator Carl Levin, Chairman of the Senate Armed Services Committee on Investigation of the Governmental Affairs Committee stated that Al Shamal Islamic Bank operations continue and that there is evidence that Osama bin Laden "remains the leading shareholder of the bank" through trustees and may still use the bank's facilities.<sup>25</sup>

**Tadamon Islamic Bank** -- The Faisal Islamic Bank of Sudan is also a shareholder of the Tadamon Islamic Bank, which was a founding shareholder of the Al Shamal Islamic Bank. Jamal Al-Fadl testified in the criminal trial concerning the 1998 Embassy bombings that the Tadamon Islamic Bank was used by members of al Qaeda to fund the terrorist attacks and to generally support the network.<sup>26</sup>

**Faisal Islamic Bank of Egypt** -- Designated terrorist and Co-Defendant Youssef Nada<sup>27</sup> co-founded Faisal Islamic Bank of Egypt with former DMI Trust chairman Prince Mohammed Al Faisal Al Saud. Youssef Nada is the director of Al Taqwa Bank (a Specially Designated Global Terrorist entity) and a member of the Egyptian Muslim Brotherhood and Gama'a al-Islamiya, which is directly allied with al Qaeda through Dr. Ayman al-Zawahiri. In 1970 Nada moved to Saudi Arabia and established contact with

members of the Saudi Royal family, and in 1977 he and Mohammed Al Faisal Al Saud established the Faisal Islamic Bank in Egypt.<sup>28</sup>

Faisal Islamic Bank of Egypt was heavily involved in the Bank of Credit and Commerce International (BCCI) banking fraud scandal of the 1970s and 1980s. Established in the 1970s as a front to launder heroin money in Pakistan, the "Bank of Crooks and Criminals" (as referred to by the CIA)<sup>29</sup> rapidly spread to become a vast fraudulent empire. BCCI head Khalid bin Mahfouz was indicted in the United States on July 1, 1992 on criminal fraud charges and ultimately paid two hundred twenty-five million U.S. dollars (\$225,000,000.00) in a settlement with U.S. prosecutors. The 1992 Senate Investigative Report on BCCI detailed the bank's role in supporting terrorism via massive diversions of laundered money.<sup>30</sup> Faisal Islamic Bank of Egypt moved approximately five hundred fifteen million five hundred thousand U.S. dollars (\$515,500,000.00) of its deposits into overseas BCCI accounts.<sup>31</sup> A "major creditor of BCCI,"<sup>32</sup> Faisal Islamic Bank of Egypt was the main source of unrecorded deposits used by BCCI to conceal losses.

DMI Trust board members continue to participate in the regulation of Faisal Islamic Bank of Egypt. Through the conduct described above, DMI has knowingly and intentionally conspired to channel material support to al Qaeda, and aided and abetted al Qaeda in its ongoing campaign to attack America.

**Islamic Principles and Zakat** – DMI and its affiliated and subsidiary companies have also channeled support to al Qaeda through the distribution of *Zakat* and *haram* funds. DMI and its affiliates operate under Islamic principles of finance, paying no interest on investments, and performing financial transactions in line with *Sharia* (Islamic law).

To ensure that the investments and activities of DMI and its subsidiaries and affiliates comply with *Sharia* principles, DMI, like virtually every Islamic bank, maintains a Religious Board to oversee operations and ensure compliance with Islamic law.

The Religious Board plays a crucial role in determining the amount, manner and purposes for which *Zakat* is distributed. *Zakat*, or almsgiving, is one of the five pillars of Islam. The Quran requires every Muslim, both as individuals and corporations, to give *Zakat* for specific charitable purposes as identified in the Quran.

In addition, Islamic financial institutions like the DMI companies identify and calculate *Haraam* income - income that is collected but is considered unacceptable according to *Sharia* principles - for their depositors or investors. Islamic financial institutions typically maintain a department to oversee and distribute *Haraam* income for themselves as well as for their individual investors to ensure that both the donation amount and its subsequent distribution comply with *Sharia* law. In addition, DMI Trust and its affiliates and subsidiaries have their own *Haraam* obligation that must be calculated and subsequently donated to charity.

Rather than provide charity directly to the needy, DMI and its affiliates disburse *Zakat* and *Haraam* funds under their control to charities of their own choosing. The charities, in theory, are to disburse the money to the needy. As a result, Islamic financial institutions like DMI are directly involved in the selection of charities to receive donations of their own and their depositors' dollars.

For a period of many years, DMI and its affiliated and subsidiary companies have known that many of the ostensible charities to which they channeled *Zakat* and *Haraam* funds were, in fact, fronts for al Qaeda. These al Qaeda front charities included Co-Defendants International Islamic Relief Organization, and the Muslim World League.

In addition, DMI Trust's subsidiary Faisal Islamic Bank and the Islamic Investment Company of the Gulf actively participated in the collection of funds for certain of al Qaeda's "charitable" front organizations. For example, co-defendant IIRO solicited donations through full-page advertisements run in leading Islamic journals. These advertisements, which called for *Zakat* donations to assist the needy in Chechnya, Bosnia, and other such areas, often provided account numbers to facilitate the contribution of funds. In many of these advertisements, which ran throughout the 1990s to the present in such publications as the English-language Muslim World League Journal (an Islamic periodical distributed widely throughout the United States), account numbers appeared for Faisal Islamic Bank and the Islamic Investment Company of the Gulf.

During the time period that Faisal Islamic Bank provided the foregoing support and services to MWL and IIRO, the involvement of those ostensible charities in the sponsorship of al Qaeda was well known in the Arab and Muslim communities. Indeed, between 1992 and 2001, numerous media reports and statements by government officials implicated the MWL and IIRO in al Qaeda

activities, plots and attacks in Pakistan, Afghanistan, Egypt, India, Kenya, Tanzania, the Philippines and elsewhere.

DMI and its affiliated and subsidiary companies were necessarily aware of the reports and investigations implicating prominent Islamic charities, including IIRO and MWL, in the sponsorship of al Qaeda. In fact, in order to comply with its obligations under *Sharia*, DMI's Religious Board was required to carefully investigate and screen the "charities" selected to receive *Zakat* and *Haraam* contributions from the DMI companies, to ensure that those "charities" were using donated funds for purposes authorized by the Quran. As a result, DMI Trust knew or had to know the intent and purpose of these charities, the individuals who control them, including board members and trustees, the sources of their funding, the beneficiaries and uses of the donations collected and their respective amounts.

Despite the actual knowledge that money contributed to these charities was being used to support terrorist activities, DMI and its affiliates and subsidiaries continued to send funds to these charities in the form of *Zakat* and *Haraam* contributions on their own behalf and on behalf of their investors, depositors and account holders. Through these contributions, DMI aided, abetted, conspired with and/or materially supported al Qaeda terrorists and international terrorist activities.

As a result of its obligation to inquire and its access to information about its investors and depositors, DMI knew or had to know that the funds that it managed or contributed, on its own behalf and on behalf of its depositors and account holders, to certain charities, were reasonably foreseeable and/or likely to be used for international terrorist activities and terrorist-related purposes.

**United States Contacts and Jurisdiction** -- DMI sought and seeks depositors from the general public throughout the world. It also sought and seeks capital from its shareholders. DMI makes its money from investing its depositors' money and from investing its own and others' capital. DMI, as other Islamic banks, pays no interest to its depositors, but makes its money through active partnership with them.

In its quest to seek world wide participation, DMI advertises in the United States. A full page advertisement was published in the Wall Street Journal in 1981 announcing the "Foundation of Dar Al Maal Al Islami With a Capital of 1000 Million Dollars." In its 'Covenant and Call to Ummat Al Islam,' DMI executed a declaration that included the following statement:



The Founders observe with dismay the pernicious temptation afforded to Muslims by the all pervasive influence of the Riba-dominated financial structure established in Ummat Al-Islam in imitation of institutions alien to it, and the Founders will join in a Holy Struggle for the sake of Allah, exalted be his Name, to eliminate Riba from Ummat Al-Islam since Riba as defined by the Glorious *Sharia* is banned by Allah.<sup>33</sup>

By advertising in a major United States publication with nationwide circulation and soliciting business from American consumers in support of a “holy struggle” in the slightly veiled language of jihad, DMI illustrates that it has purposefully directed its material support for Islamic extremist activities at the United States for more than two decades.

On November 27, 1984, Faisal Islamic Bank (Egypt), Faisal Islamic Bank (Sudan) and Dar Al-Maal Al-Islami (DMI) ran an ad in the *New York Times* stating that they would be unable to attend a Conference on Islamic Banking and Finance at the Westbury Hotel, New York on December 12, 1984 “due to conflict with DMI’s Annual General Meeting in Istanbul. It is therefore evident that the Conference will not have the necessary expertise to represent practices in Islamic Banking.”<sup>34</sup>

When DMI was established in mid-1981, bank officials told the *Wall Street Journal* that it would be active in:

Islamic investment, Islamic solidarity, and Islamic banking activities...” in Moslem nations and **in the U.S.** and Europe. It added that “Islamic banks capitalized by an organization of the standing of DMI will have a greater capacity to attract deposits from the public and governments.” DMI said it is fixing its capitalization at \$1 billion because it “will compete with well-established and well-capitalized” Western financial institutions.”<sup>35</sup>

In addition, DMI has published various advertisements in U.S. magazines and journals distributed by various Saudi-based charities. In one such advertisement in the *Journal of the Muslim World League*, there is a picture of the DMI building in Switzerland with a notation which reads “the group benefits from an extensive network with a strong foothold with the major international Islamic centers. Its subsidiaries -- banks, insurance and investment companies -- are rooted regionally to respond more rapidly and effectively to client needs. The synergetic relationship between the subsidiaries gives DMI the leading edge.”

DMI also has significant business operations in the United States. DMI’s wholly-owned subsidiary, Crescent International Ltd., is a

Bermuda registered company owned by Greenlight SA of Switzerland. Both entities are DMI Trust subsidiaries. A 2003 SEC 'Registration Statement' for shareholders of Acclaim Entertainment Inc., states:

Mel Crow, Manager of DMI Trust, has voting and dispositive control over securities held by Crescent International, Ltd.<sup>36</sup>

DMI Trust's 2001 Annual Report states that Greenlight (Switzerland) S.A. and Crescent International Ltd are 100 percent DMI Trust-owned "principal subsidiaries."<sup>37</sup>

DMI, Crescent International, Ltd., and Greenlight SA have overlapping business managers and addresses. In Crescent International Ltd.'s SEC filings, Crescent International, Greenlight (Switzerland) SA, and DMI SA Services use the same business address in Geneva Switzerland:

Crescent International Ltd. January 2, 1999 SEC Filing

Melvyn Crow

Crescent International Limited  
c/o Greenlight (Switzerland) SA  
84, Av Louis-Casai, P.O. Box 42  
1216 Geneva, Cointrin, Switzerland<sup>38</sup>

Crescent International Ltd. February 10, 2004 SEC Filing

c/o Greenlight (Switzerland) SA  
84 AVE LOUIS CASAI, 1216  
COINTRIN/GENEVA Switzerland<sup>39</sup>

DMI Trust uses the same business address as DMI Administrative Services S.A., Greenlight (Switzerland) SA, and Crescent International, Ltd.:

www.dmitrust.com has the following under contact information:

Daar Al-Maal Al-Islami Trust  
Contact:  
c/o DMI Administrative Services S.A.  
84, Avenue Louis-Casai, P.O. Box 161  
1216 Cointrin-Geneva Switzerland

The 1999 SEC report lists a U.S. contact for Crescent International/DMI as:

COPY TO:  
Sara P. Hanks, Esq.  
Rogerts & Wells  
200 Park Avenue  
New York, NY 10166 Tel: 212-878-8000

In June 2003, Crescent International Ltd. owned 1.2%, or 1.4 million shares of Acclaim Entertainment Inc. prior to Acclaim's stock offering.<sup>40</sup> An April 1, 2004 stock sale Prospectus for Sun Healthcare Group, Inc., lists Crescent International Ltd. as owner of 35,000 shares of Sun Healthcare Group being offered for sale on the NASDAQ exchange. The report states:

Mel Crow and Maxi Brezzi, in their capacity as managers of Green Light (Switzerland) SA, the investment adviser to Crescent International Ltd., have voting control and investment discretion over the shares owned by Crescent International Ltd. Messrs. Crow and Brezzi disclaim beneficial ownership of such shares.<sup>41</sup>

Since 2000, International FiberCom, Inc., (IFC) a Phoenix-based telecommunications service provider has borrowed at least \$14 million from Crescent International. Crescent owns more than 2 million FiberCore shares. On June 22, 2001, IFC announced:

The completion of the private placement of \$10 million in Series D Convertible Preferred Stock to Crescent International Ltd., an investment company managed by GreenLight (Switzerland) SA, and warrants exercisable to purchase 509, 554 shares of common stock at a price of \$5.89 for a five year term...Crescent also agreed to purchase up to \$10 million of common stock of the company in increments of between \$200,000 and \$2.5 million at the discretion of the company during the 18-month commitment period.<sup>42</sup>

In June 2002, Dauphin Technology announced that 6.6 million shares of common stock: "may be acquired by Crescent International Ltd." In September 2001, Dauphin entered into a \$10 million securities purchase agreement that "allows Dauphin to sell Crescent Crescent up to \$7.5 million in stock until September 27, 2003."<sup>43</sup>

As of October 2001, DMI Trust had invested at least \$200 million in the International Development Bank Infrastructure Fund L.P.<sup>44</sup> DMI committed "\$100 million for equity and an additional \$100 million for complementary finance facility purposes."<sup>45</sup> The fund "seeks to work with governments, international project sponsors and local companies in investing in infrastructure projects in Islamic Development Bank member countries."<sup>46</sup>

The fund was launched and is "managed" by Washington, DC-based Emerging Markets Partnership (EMP). The private equity firm expects to raise \$1 billion for the initiative. It is believed to be the first private investment vehicle for private-sector infrastructure projects in the Islamic world. EMP set up offices for the fund in Bahrain to "handle fund-raising efforts."<sup>47</sup>

	<p>In addition, DMI became a 35% partner in Boston Capital, a Massachusetts based real estate financing firm with “holdings in 48 states and the U.S. Virgin Islands.”<sup>48</sup></p> <p>The CEO of DMI stated in an interview with the Gulf Daily news that the DMI group has “substantially increased” its investments in the United States after September 11, 2001.<sup>49</sup></p> <p>DMI has sufficient minimum contacts with the United States to subject them to the personal jurisdiction of United States courts. Moreover, DMI has purposefully availed itself of the jurisdiction of the United States because it has directed its activities at the United States. DMI has financially and materially supported al Qaeda, Wael Jelaidan, Yassin Al Kadi and other al Qaeda members that call for holy war or jihad against the United States. Moreover, DMI’s supervising board members and religious board members have publicly called for jihad against the United States.</p>	
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<sup>1</sup> Annual Report DMI Trust 2002, p. 3.

<sup>2</sup> *Id.*

<sup>3</sup> Annual Report DMI Trust 1994, p. 2.

<sup>4</sup> *Id.*

<sup>5</sup> *Id.* (Emphasis added).

<sup>6</sup> Dr. Ali Hassan Abdel Kader, member of the *Sharia* Control Authority of DMI, "Report on the Islamic Economy and Contemporary Transactions," published by DMI, (1981). Preface authored by Dr. Ibrahim Moustapha Kamel, Executive Vice President to the President of the Administrative Council of DMI.

<sup>7</sup> *Id.*

<sup>8</sup> *Id.* (Emphasis added).

<sup>9</sup> Annual Report DMI Trust 1984. Translated from the French.

<sup>10</sup> Annual Report DMI Trust 1996, p. 28.

<sup>11</sup> Annual Report DMI Trust 1989, p. 5.

<sup>12</sup> *Id.* (emphasis added).

<sup>13</sup> Judith Miller, "The Islamic Wave," the New York Times Magazine, p.22 (May 31, 1992); *See also*, Jonathan Randal, "Sudan Party Puts New Face on Fundamentalism," Washington Post, A30, Col. 4. (April 7, 1988).

<sup>14</sup> *Id.*

<sup>15</sup> Testimony of Jamal Ahmed Al-Fadl, U.S.A. v. Osama bin Laden (February 6, 2001).

<sup>16</sup> Statement by Al Shamal Islamic Bank (October 1, 2001).

<sup>17</sup> "Sudanese students enroll for controversial military service," AP News (June 6, 1998); AP News (August 4, 1998).

<sup>18</sup> Congressional Research Service, "Terrorism: Near Eastern Groups and State Sponsors," p. 16 (February 13, 2002).

<sup>19</sup> Testimony of Jamal Ahmed Al-Fadl, U.S.A. v. Osama bin Laden (February 6, 2001).

<sup>20</sup> *Id.*

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21 *Id.*  
22 Testimony of Essam Al Riddi, U.S.A. v. Osama bin Laden (February 14, 2001).  
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24 U.S. State Department Fact Sheet on Osama bin Laden (August 14, 1996).  
25 Statement of Senator Carl Levin, Hearing on National Money Laundering Strategy for 2001, U.S. Senate  
26 Committee on Banking, Housing and Urban Affairs (September 26, 2001).  
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34 Dar Al-Maal Al-Islami and Faisal Bank Advertisement, *New York Times*, November 27, 1984, p. D21.  
35 "Islamic-Style Bank and Investment Group Is Formed with Capital Set at \$1 Billion," *Wall Street Journal*, June  
11, 1981, p. 31. (Emphasis added).  
36 Securities and Exchange Commission, Amendment No. 1 to Form S-3 Registration Statement Under the  
Securities Act of 1933, Acclaim Entertainment, Inc. August 22, 2003, p. 21.  
37 Dar Al-Maal Al-Islami Trust, Annual Report 2001, p. 35.  
38 Crescent International Ltd SEC Filing, Acquisition of Infocure Corp. Stock, Schedule 13D, Amdt. No. 1,  
January 2, 1999.  
39 Crescent International Ltd SEC Filing, Acquisition of Franklin Wireless Corp. Stock, February 10, 2004.  
40 Dar Al-Maal Al-Islami Trust, Annual Report 2001.  
41 Sun Healthcare Group, Inc., Form 424B3, Prospectus, File No. 333-113710, Securities and Exchange  
Commission, April 1, 2004.  
42 "International FiberCom Amends Credit Facility," *The Phoenix Business Journal*, June 22, 2001.  
43 "Dauphin Technology Registers Stock," *Tampa Bay Business Journal*, June 26, 2002.  
44 Otis Bilodeau, "Private Equity True Believers," *The Daily Deal*, October 23, 2001.  
45 *Asia Private Equity Review*, August 1, 2003.  
46 Emerging Market Partnership Web site: <http://www.empwdc.com/EMPIDBFund.htm>.  
47 *Daily Deal*, October 23, 2001; "Jeddah-Based IDB Launches a Fund," *Wall Street Journal Europe*, October 8,  
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48 Boston Capital Web site: <https://www.bostoncapital.com/aboutIndex.html>.  
49 "Islamic Banks Victimized by Western Media," Gulf Daily News, (November 12, 2001).

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re Terrorist Attacks on September 11, 2001	03 MDL 1570 (RCC) ECF Case  <b>RICO STATEMENT applicable to Faisal Islamic Bank</b>
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*This document relates to:*

Federal Insurance Co. v. al Qaida  
03 CV 06978 (RCC)

**AMENDED RICO STATEMENT APPLICABLE TO  
FAISAL ISLAMIC BANK-SUDAN**

Based on information currently available, and pursuant to the Case Management Order dated June 15, 2004, plaintiffs submit this amended RICO statement for defendant Faisal Islamic Bank-Sudan (“Faisal Islamic Bank”)

Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, much information is presently unavailable to plaintiffs, absent discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.

1. The unlawful conduct is in violation of 18 U.S.C. § 1962(c) and/or (d).
2. The names of the defendant to whom this RICO statement pertains is Faisal Islamic Bank. The alleged misconduct and basis for liability is set forth in Exhibit “A”.
3. Not applicable. All known wrongdoers are named as defendants in this action. Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, however, much information is unavailable to plaintiffs, and the identities of other wrongdoers may be revealed through discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.
4. The name of each victim and the manner in which each was injured is indicated on the chart attached hereto as Exhibit “B”.
5. (a) list of predicate acts and specific statutes violated:

conspiracy to commit murder	NY CLS Penal § 105.15; NY CLS Penal § 125.25(xi)
conspiracy to commit arson	NY CLS Penal § 105.15; NY CLS Penal § 150.15
Travel Act	18 U.S.C. § 1952
illegal transactions in monetary instruments	18 U.S.C. § 1956
money laundering	18 U.S.C. § 1957
mail fraud	18 U.S.C. § 1341
wire fraud	18 U.S.C. § 1343
fraud with identification documents	18 U.S.C. § 1028
financial institution fraud	18 U.S.C. § 1344
obstruction of justice	18 U.S.C. § 1503
obstruction of a criminal investigation	18 U.S.C. § 1510
Travel Act	18 U.S.C. § 1952
money laundering	18 U.S.C. § 1957
filing false or materially false tax returns	26 U.S.C. § 7206(1), (2)
engaging in a corrupt endeavor to impede and impair the due administration of the internal revenue laws	26 U.S.C. § 7212(a)

(b) dates of, the participants in, and a description of the facts surrounding the predicate acts

<b>DATES</b>	<b>PARTICIPANTS</b>	<b>FACTS</b>
early 1990s to 9/11/2001	Faisal Islamic Bank	Faisal Islamic Bank conspired to support terrorism and to obfuscate the roles of the various participants and conspirators in the al Qaida Movement to perpetrate radical Muslim terrorism, which conspiracy culminated in the Attack.
early 1990s to 9/11/2001	Faisal Islamic Bank	Faisal Islamic Bank used its banking and financial operations to knowingly and intentionally provide financial services to al

		Qaida and its members, as well as organizations which it knew were providing support to the Enterprise.
early 1990s to 9/11/2001	Faisal Islamic Bank	Faisal Islamic Bank undertook the above-named actions as part of a conspiracy to commit murder and arson, in that it knew that the Enterprise in which it was participating, the al Qaida Movement to perpetrate radical Muslim terrorism, planned to and would commit an act of deadly aggression against the United States in the near future, using the resources and support it supplied.
early 1990s to 9/11/2001	Faisal Islamic Bank	Faisal Islamic Bank agreed to form and associate itself with the Enterprise and agreed to commit more than two predicate acts, <i>i.e.</i> , multiple acts of murder and arson, in furtherance of a pattern of racketeering activity in connection with the Enterprise.

(c) not applicable

(d) No.

(e) No.

(f) The predicate acts form a pattern of racketeering in that they are continuous, and are a part of the Enterprise's regular way of doing business. Other of the defendants consistently, even constantly, laundered money, filed false tax returns, and otherwise impeded and impaired the administration of the tax laws as part of their scheme to conduit money to terrorists, and yet obfuscated their support of the al Qaida Movement to perpetrate radical Muslim terrorism.

(g) The predicate acts relate to each other (horizontal relatedness) as part of a common plan because each act of money laundering and tax evasion allowed certain of the defendants to surreptitiously provide funds to terrorist organizations, including al Qaida, which conspiracy culminated in the Attack.

6.

(a) The enterprise (the "Enterprise" or "the al Qaida Movement to perpetrate radical Muslim terrorism") is comprised of the defendants named in the First Amended Complaint, and is a collection of persons, organizations, businesses, and nations associated in fact.



(b) The Enterprise has its origins in the defeat of the Soviets in Afghanistan in the late 1980s, when Osama Bin Ladin (“Bin Ladin”) formed an organization called “The Foundation” or “al Qaida.” Al Qaida was intended to serve as a foundation upon which to build a global Islamic army. The structure of the Enterprise is an association in fact with common and complex goals that consist of far more than the mere desire to perpetrate the acts of racketeering outlined herein. Rather, the Enterprise utilizes acts of racketeering to further its overall common purposes of: (i) spreading a particularly virulent brand of radical, conservative Islam; (ii) eliminating Western influences in Islamic countries, including Western influences that are perceived to keep in power repressive Saudi American regimes that are not true to Islam; and (iii) punishing Israel, and the United States for its perceived support of Israel. The al Qaida Movement to perpetrate radical Muslim terrorism does not feature a centralized hierarchy, because the lack of a centralized hierarchy is essential to the Enterprise’s clandestine nature and its success. Thus, although al Qaida had its own membership roster and a structure of “committees” to guide and oversee such functions as training terrorists, proposing targets, financing operations, and issuing edicts, the committees were not a hierarchical chain of command but were instead a means for coordinating functions and providing material support to operations. Faisal Islamic Bank fit neatly into this framework by providing funding to and otherwise providing material support for the members of the Enterprise who engaged in the Attack.

(c) no.

(d) Faisal Islamic Bank is associated with the Enterprise.

(e) Faisal Islamic Bank is a member of the Enterprise, and is separate and distinct from the Enterprise.

(f) Faisal Islamic Bank intended to further the Attack and adopted the goal of furthering and/or facilitating that criminal endeavor, which criminal activity culminated in the Attack.

7. The pattern of racketeering activity conducted by Faisal Islamic Bank is separate from the existence of the al Qaida Movement to perpetrate radical Muslim terrorism, but was a necessary component to the Attack.
8. The Enterprise conducts terrorism all over the world; the racketeering activity conducted by Faisal Islamic Bank furthers and facilitates that activity, which activity culminated in the Attack. The usual and daily activities of the Enterprise includes recruitment, indoctrination, and the provisioning and operation of training camps, all of which activities are furthered and facilitated by the racketeering activities described herein.
9. The Enterprise benefits by having funds available to meet its goals of spreading its ideology, suppressing other forms of Islam, and through the gratification of destroying its perceived enemies.
10. The Enterprise, and the racketeering activities conducted by Faisal Islamic Bank, relies heavily on the American interstate system of commerce for banking, supplies,

communications, and virtually all its essential commercial functions, and in that manner affects interstate commerce. Additionally, the Attack itself affected commerce. See Rasul v. Bush, 124 S. Ct. 2686, No. 03-334, 2004 U.S. LEXIS 4760, \* 8 (stating that the Attack “severely damaged the U.S. economy”).

11. Not applicable.
12. Not applicable.
13. The al Qaida Movement to perpetrate radical Muslim terrorism “employs” certain individuals, only a few of whose identities are known, including defendant Osama bin Ladin.
14. The history of the conspiracy behind the al Qaida Movement to perpetrate radical Muslim terrorism could, and has, filled many books, but for purposes of the present RICO Statement, the following is offered. After being turned out of the Sudan in May 1996, al Qaida established itself in Afghanistan, and relied on well-placed financial facilitators, including Faisal Islamic Bank, who laundered funds from Islamic so-called charities and corporations and raised money from witting and unwitting donors. They also relied heavily on certain imams at mosques who were willing to divert the *zakat*, the mandatory charitable contributions required of all Muslims. Al Qaida also collected money from employees of corrupted charities.

The funds thus raised were used to, among other things, operate terrorist training camps in Afghanistan, where some recruits were trained in conventional warfare but where the best and most zealous recruits received terrorist training. The curriculum in the camps placed great emphasis on ideological and religious indoctrination. All trainees and other personnel were encouraged to think creatively about ways to commit mass murder.

The camps were able to operate only because of the worldwide network of recruiters, travel facilitators, and document forgers who vetted recruits and helped them get in and out of Afghanistan. From the ranks of these recruits the nineteen perpetrators of the Attack were selected. None of this would have been possible without the funds supplied by participants and conspirators like Faisal Islamic Bank. Indeed, the Enterprise would not have been successful without the enthusiastic participation of all of the conspirators, including Faisal Islamic Bank. In order to identify nineteen individuals willing, able and competent to carry out the Attack, al Qaida needed to select from a vast pool of recruits and trainees, which pool would not have been available to it without the assistance provided by Faisal Islamic Bank. Faisal Islamic Bank, with knowledge and intent, agreed to the overall objectives of the conspiracy, and agreed to commit at least two predicate acts and all agreed to participate in the conspiracy, either expressly or impliedly. Faisal Islamic Bank also, with knowledge and intent, agreed to and did aid and abet all of the above illegal activities, RICO predicate acts, and RICO violations.

15. As the subrogees of both individual and property claimants, plaintiffs have been harmed in their business and property through the claims that they have paid out or for which they have reserved.

16. Plaintiffs' damages -- injuries, the loss of life and property damage that resulted from defendants' actions -- are direct in that they are not derivative of damage to a third party. Rather the plaintiffs' insureds' assignees were the "reasonably foreseeable victims of a RICO violation" and the "intended victims of the racketeering enterprise," *i.e.*, terrorism, the culmination of which was the Attack.
17. Each defendant is jointly and severally liable for the damages suffered by each plaintiff, as set forth in Exhibit "C".

18.

<b>VI</b>	Torture Victim Protection Act, 28 U.S.C. § 1350
<b>VIII</b>	RICO, 18 U.S.C. § 1962(c), 1962(d)
<b>X</b>	Anti-Terrorism Act, 18 U.S.C. § 2333

19. pendent state claims:

<b>I</b>	Trespass
<b>II</b>	Wrongful Death
<b>III</b>	Survival
<b>IV</b>	Assault & Battery
<b>V</b>	Intentional and Negligent Infliction of Emotional Distress
<b>VII</b>	Conspiracy
<b>IX</b>	Aiding and Abetting
<b>XI</b>	Negligence
<b>XII</b>	Punitive Damages

20. not applicable

**EXHIBIT "A"**

**RICO STATEMENT**

<b>DEFENDANT</b>	<b>MISCONDUCT</b>	<b>BASIS OF LIABILITY</b>
Faisal Islamic Bank	<p>Faisal Islamic Bank has long provided financial services and other forms of material support to terrorist organizations, including al Qaida.</p> <p>Faisal Islamic Bank is a subsidiary of Islamic Investment Company of the Gulf (Bahrain) EC, whose holding company is Defendant Dar-al-Maal al Islami (DMI), based in Switzerland. All three entities are chaired by Defendant Mohammed al Faisal al Saud, and controlled by Saudi investors.</p> <p>Faisal Islamic Bank was founded in 1970 by defendant Yousef M. Nada ("Nada"). Nada is a member of the Egyptian Muslim Brotherhood and the Jamaa al-Islamiya, which is directly allied with al Qaida. When he came to Saudi Arabia, he became friendly with the Royal Family, though his membership in the Muslim Brotherhood, opened a construction company, and thereafter, founded the Faisal Islamic Bank. Nada has been implicated as a supporter of the Enterprise, and has been connected to the Al Taqwa Bank, as their president, in supporting the al Qaida Movement to perpetrate radical Muslim terrorism.</p> <p>The Faisal Islamic Bank enjoyed privileges denied other commercial banks (full tax exemption on assets, profits, wages, and pensions), as well as guarantees against confiscation or nationalization. Moreover, these privileges came under official</p>	1962(c) 1962(d)

government protection from 1983 onward as the ruling regime became committed to applying Islamic doctrine to all aspects of Sudanese life.

There are a number of Faisal Islamic Banks across the Islamic world from Egypt to Pakistan to the Emirates and Malaysia. During Prince Mohammad's tenure at this position, Faisal Islamic Bank was involved in running accounts for Bin Laden and his associates. Faisal Islamic Bank was one of the main founders of the al Shamal Islamic Bank, the bank which Osama Bin Laden helped to establish in 1991 by providing capital in the amount of \$50 million. At this time, it is believed that Faisal Islamic Bank remains a major shareholder of al Shamal Bank.

At the time Faisal Islamic Bank provided financial services to Osama bin Laden, it was well known in the Muslim World that he was building a terrorist organization to wage jihad against the United States and the perceived enemies of Islam. Indeed, at the conclusion of the Afghan war against the Soviets in 1989, Osama bin Laden had returned to Saudi Arabia as "a hero" of the *jihad* against the Soviets. When the United States intervened against Iraq on behalf of Kuwait in 1990, bin Laden rallied radical Islamic elements to reject any U.S. support or intervention in the region. As a result of his efforts to incite radical Islamic elements, bin Laden was publicly expelled from Saudi Arabia and moved immediately to the Sudan, where the ruling National Islamic Front, itself a radical Islamic group, openly welcomed him and his top lieutenants.

Once situated in Sudan, bin Laden began bringing veterans of the Afghan jihad to the country, where they received terrorist training and became the first members of what is known today as al Qaida. These early al Qaida members also fought alongside NIF troops in the ongoing conflict against Christians in the South, in return for which al Qaida received

land for training camps, weapons and other forms of support from the Sudanese government. Bin Laden also established numerous front companies to support the new organization in Sudan. All of these activities were well publicized at the time and, as a result, bin Laden's terrorist intentions were well known to people and organizations within Sudan, including Faisal Islamic Bank.

Al Shamal Bank regularly provided financial and account services to al Qaeda operatives – six of whom held bank accounts at Al Shamal. Osama Bin Laden paid al Qaeda members from Al Shamal accounts. Moreover, money from these Al Shamal accounts was deposited, housed and transferred to other al Qaeda members to buy military equipment, including an airplane which was delivered to Osama Bin Laden to be used to transport missiles.

Faisal Islamic Bank was also implicated during the 2001 United States trial relating to the 1998 embassy bombings in Africa. A former finance manager for al Qaeda in Khartoum, Jamal al-Fadl, testified that Faisal Islamic Bank held bank accounts for al Qaeda operatives by stating:

Q: "Where were the accounts [of the al Qaeda] held? In what countries?"

A: "...we got account in Bank Faisal Islami."

Q: Is that also in Khartoum?"

A: Yes."

Faisal Islamic Bank continued to maintain accounts for these entities long after al Qaida's murderous intent was made clear through the terrorist activities detailed in the First Amendment Complaint. In doing so, Faisal

	<p>Islamic Bank knowingly provided financial services and other forms of material support to al Qaida, while disregarding warnings and refusing to adhere to even minimal banking industry standards designed to thwart the support of terrorist networks like the Enterprise through anti-terrorist and money laundering safeguards and “know your customer” regulations.</p> <p>Faisal Islamic Bank’s misconduct includes laundering money for Al Qaeda (including maintaining and servicing Al Qaeda bank accounts and accounts used to fund and support Al Qaeda), and/or facilitating money transfers and weapons and military equipment purchases for Al Qaeda. Faisal knowingly facilitated Al Qaeda’s fundraising efforts by advertising the existence and numerical designations of the accounts it maintained for Al Qaeda’s cooperating charities throughout the Muslim world.</p> <p>Faisal Islamic Bank has channeled millions of dollars to Al Qaeda through its banking and financial operations, and knowingly and intentionally provided repeated material support and substantial assistance to Al Qaeda through the use of interstate and international faxes, telephones, wire transfers and transmissions, and mailing in violation of numerous federal statutes.</p> <p>Faisal Islamic Bank thereby has, for a period of many years, knowingly provided critical financial and logistical support to al Qaida to support that terrorist organization’s global jihad. The September 11th Attack was a direct, intended and foreseeable product of Faisal Islamic Bank’s participation in the al Qaida Movement to perpetrate radical Muslim terrorism</p>	
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**EXHIBIT "B"**  
**RICO STATEMENT**

*Federal Insurance Company, et al. v. al Qaida et al., 03cv6978*

Plaintiffs	Total Paid Loss
ACE AMERICAN INSURANCE COMPANY	\$47,868,598.56
ACE BERMUDA INSURANCE LTD	\$298,000,000.00
ACE CAPITAL V LTD	\$118,454,289.00
ACE INA INSURANCE COMPANY OF CANADA	\$15,431,185.61
ACE INDEMNITY INSURANCE COMPANY	\$11,853.55
ACE INSURANCE SA-NV	\$17,990,692.00
ACE PROPERTY & CASUALTY INSURANCE COMPANY	\$34,637.00
AIU INSURANCE COMPANY	\$2,240.00
ALLSTATE INSURANCE COMPANY	\$13,300,834.13
AMERICAN ALTERNATIVE INSURANCE CORPORATION	\$3,517,565.31
AMERICAN EMPLOYERS' INSURANCE COMPANY	\$325,421.23
AMERICAN GLOBAL INSURANCE COMPANY	\$0.00
AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY	\$42,208,222.23
AMERICAN HOME ASSURANCE COMPANY	\$106,952,607.60
AMERICAN HOME ASSURANCE COMPANY-CANADA	\$400,468,461.54
AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY	\$15,183,595.31
AMERICAN ZURICH INSURANCE COMPANY	\$2,213,018.97
AMLIN UNDERWRITING, LTD.	\$203,040,909.68
ASSURANCE COMPANY OF AMERICA	\$2,074,058.61
ATLANTIC EMPLOYERS INSURANCE COMPANY	\$0.00
AXA ART INSURANCE CORPORATION	\$14,287,543.00
AXA CORPORATE SOLUTIONS ASSURANCE UK BRANCH	\$64,609,064.00
AXA CORPORATE SOLUTIONS INSURANCE COMPANY	\$112,330,452.00
AXA CORPORATE SOLUTIONS REINSURANCE COMPANY	\$83,531,796.00
AXA GLOBAL RISKS UK, LTD.	\$10,986,624.00
AXA RE	\$102,482,949.00
AXA RE CANADIAN BRANCH	\$23,767,599.00
AXA REINSURANCE UK PLC	\$17,159,504.00
AXA VERSICHERUNG AG	\$2,030,867.09
BANKERS STANDARD INSURANCE COMPANY	\$23,250,000.00
BIRMINGHAM FIRE INSURANCE COMPANY OF PENNSYLVANIA	\$0.00
BOSTON OLD COLONY INSURANCE COMPANY	\$5,100.00
CHINA AMERICA INSURANCE COMPANY LIMITED	\$3,590,140.08
CHUBB CUSTOM INSURANCE COMPANY	\$612,585.00
CHUBB INDEMNITY INSURANCE COMPANY	\$4,046,510.95
CHUBB INSURANCE COMPANY OF CANADA	\$44,923,071.95
CHUBB INSURANCE COMPANY OF NEW JERSEY	\$412,681.71
CNA CASUALTY OF CALIFORNIA	\$25,771.00
COLONIAL AMERICAN CASUALTY AND SURETY INS. COMPANY	\$20,000.00
COMMERCE AND INDUSTRY INSURANCE COMPANY	\$2,678,408.05
COMMERCE AND INDUSTRY INSURANCE COMPANY OF CANADA	\$27,067.71
COMMERCIAL INSURANCE COMPANY OF NEWARK, NJ	\$141,343.00
CONTINENTAL INSURANCE COMPANY	\$542,627.00
CONTINENTAL INSURANCE COMPANY OF NEW JERSEY	\$39,073.00
CRUM & FORSTER INDEMNITY COMPANY	\$44,300.08
FEDERAL INSURANCE COMPANY	\$1,443,157,526.81



**EXHIBIT "B"**  
**RICO STATEMENT**

*Federal Insurance Company, et al. v. al Qaida et al., 03cv6978*

Plaintiffs	Total Paid Loss
FIDELITY AND CASUALTY COMPANY OF NEW YORK	\$79,856.00
FIDELITY AND DEPOSIT COMPANY OF MARYLAND	\$1,559,298.07
GLENS FALLS INSURANCE COMPANY	\$36,239.00
GRANITE STATE INSURANCE COMPANY	\$348,071.05
GREAT LAKES REINSURANCE U.K. PLC	\$77,999,865.52
GREAT NORTHERN INSURANCE COMPANY	\$601,712,247.63
HISCOX DEDICATED CORPORATE MEMBER, LTD.	\$230,130,545.84
HOMELAND INSURANCE COMPANY OF NEW YORK	\$210,670.75
ILLINOIS NATIONAL INSURANCE COMPANY	\$2,229,043.97
INDEMNITY INSURANCE COMPANY OF NORTH AMERICA	\$7,465,987.17
INSURANCE COMPANY OF NORTH AMERICA	\$78,692.00
LEXINGTON INSURANCE COMPANY	\$158,317,791.42
MARYLAND CASUALTY COMPANY	\$420,000.00
NATIONAL BEN FRANKLIN INSURANCE COMPANY OF ILLINOIS	\$6,442.00
NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH	\$26,647,699.78
NEW HAMPSHIRE INSURANCE COMPANY	\$2,260,134.91
NORTH RIVER INSURANCE COMPANY	\$3,405,966.77
NORTHERN INSURANCE COMPANY OF NEW YORK	\$1,043,292.05
ONE BEACON AMERICA INSURANCE COMPANY	\$85,101.50
ONE BEACON INSURANCE COMPANY	\$185,924,621.93
PACIFIC EMPLOYERS	\$4,868,748.19
PACIFIC INDEMNITY COMPANY	\$23,219,156.70
SENECA INSURANCE COMPANY, INC.	\$4,509,258.43
SPS REASSURANCE	\$79,888,622.00
STEADFAST INSURANCE COMPANY	\$1,828,050.13
THE CAMDEN FIRE INSURANCE ASSOCIATION	\$76,620.00
THE INSURANCE COMPANY STATE OF PENNSYLVANIA	\$114,621.84
THE PRINCETON EXCESS & SURPLUS LINES INSURANCE COMPANY	\$3,796,292.50
TIG INSURANCE COMPANY	\$76,211,229.00
TRANSATLANTIC REINSURANCE COMPANY	\$107,194,221.65
UNITED STATES FIRE INSURANCE COMPANY	\$77,554,603.07
VALIANT INSURANCE COMPANY	\$0.00
VIGILANT INSURANCE COMPANY	\$45,122,662.36
WESTCHESTER FIRE INSURANCE COMPANY	\$14,079,230.00
WESTCHESTER SURPLUS LINES INSURANCE CO.	\$12,705,000.00
WOBURN INSURANCE LTD	\$8,750,000.00
ZURICH AMERICAN INSURANCE COMPANY	\$817,500,947.12
	<b>\$5,819,161,625.11</b>

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re Terrorist Attacks on September 11, 2001	03 MDL 1570 (RCC) ECF Case  <b>RICO STATEMENT applicable to Dubai Islamic Bank</b>
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*This document relates to:* Federal Insurance Co. v. al Qaida  
03 CV 06978 (RCC)

**RICO STATEMENT  
APPLICABLE TO DUBAI ISLAMIC BANK**

Based on information currently available, and pursuant to the Case Management Order dated June 15, 2004, plaintiffs submit this RICO statement for defendant Dubai Islamic Bank.

Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, much information is presently unavailable to plaintiffs, absent discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.

1. The unlawful conduct is in violation of 18 U.S.C. § 1962(c) and/or (d).
2. The names of the defendant to whom this RICO statement pertains is Dubai Islamic Bank. The alleged misconduct and basis for liability is set forth in Exhibit "A".
3. Not applicable. All known wrongdoers are named as defendants in this action. Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, however, much information is unavailable to plaintiffs, and the identities of other wrongdoers may be revealed through discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.
4. The name of each victim and the manner in which each was injured is indicated on the chart attached hereto as Exhibit "B".

5. (a) list of predicate acts and specific statutes violated:

conspiracy to commit murder	NY CLS Penal § 105.15; NY CLS Penal § 125.25(xi)
conspiracy to commit arson	NY CLS Penal § 105.15; NY CLS Penal § 150.15
Travel Act	18 U.S.C. § 1952
illegal transactions in monetary instruments	18 U.S.C. § 1956
money laundering	18 U.S.C. § 1957
mail fraud	18 U.S.C. § 1341
wire fraud	18 U.S.C. § 1343
Bank Secrecy Act	18 U.S.C. § 1960

(b) dates of, the participants in, and a description of the facts surrounding the predicate acts

<b>DATES</b>	<b>PARTICIPANTS</b>	<b>FACTS</b>
early 1990s to 9/11/2001	Dubai Islamic Bank	Dubai Islamic Bank conspired to support terrorism and to obfuscate the roles of the various participants and conspirators in the al Qaida movement, which conspiracy culminated in the Attack.
early 1990s to 9/11/2001	Dubai Islamic Bank	Dubai Islamic Bank used its banking and financial operations to knowingly and intentionally provide financial services to al Qaida and its members, as well as organizations which it knew were providing support to the Enterprise.
early 1990s to 9/11/2001	Dubai Islamic Bank	Dubai Islamic Bank undertook the above-named actions as part of a conspiracy to commit murder and arson, in that it knew that the Enterprise in which it was participating, the al Qaida movement, planned to and would commit an act of deadly aggression against the United States

		in the near future, using the resources and support it supplied.
early 1990s to 9/11/2001	Dubai Islamic Bank	Dubai Islamic Bank agreed to form and associate itself with the Enterprise and agreed to commit more than two predicate acts, <i>i.e.</i> , multiple acts of murder and arson, in furtherance of a pattern of racketeering activity in connection with the Enterprise.

(c) not applicable

(d) No.

(e) No.

(f) The predicate acts form a pattern of racketeering in that they are continuous, and are a part of the Enterprise’s regular way of doing business. Other of the defendants consistently, even constantly, laundered money, filed false tax returns, and otherwise impeded and impaired the administration of the tax laws as part of their scheme to conduit money to terrorists, and yet obfuscated their support of the al Qaida movement.

(g) The predicate acts relate to each other (horizontal relatedness) as part of a common plan because each act of money laundering and tax evasion allowed certain of the defendants to surreptitiously provide funds to terrorist organizations, including al Qaida, which conspiracy culminated in the Attack.

6.

(a) The enterprise (the “Enterprise” or “the al Qaida movement”) is comprised of the defendants named in the First Amended Complaint, and is a collection of persons, organizations, businesses, and nations associated in fact.

(b) The Enterprise has its origins in the defeat of the Soviets in Afghanistan in the late 1980s, when Osama Bin Ladin (“Bin Ladin”) formed an organization called “The Foundation” or “al Qaida.” Al Qaida was intended to serve as a foundation upon which to build a global Islamic army. The structure of the Enterprise is an association in fact with common and complex goals that consist of far more than the mere desire to perpetrate the acts of racketeering outlined herein. Rather, the Enterprise utilizes acts of racketeering to further its overall common purposes of: (i) spreading a particularly virulent brand of radical, conservative Islam; (ii) eliminating Western influences in Islamic countries, including Western influences that are perceived to keep in power repressive Saudi American regimes that are not true to Islam; and (iii) punishing Israel, and the United States for its perceived support of Israel. The al Qaida movement does not feature a centralized hierarchy, because the lack of a centralized hierarchy is essential to the Enterprise’s clandestine nature and its success. Thus, although al Qaida had its

own membership roster and a structure of “committees” to guide and oversee such functions as training terrorists, proposing targets, financing operations, and issuing edicts, the committees were not a hierarchical chain of command but were instead a means for coordinating functions and providing material support to operations. Dubai Islamic Bank fit neatly into this framework by providing financial services and other forms of material support for the members of the Enterprise who engaged in the Attack.

- (c) no.
  - (d) Dubai Islamic Bank is associated with the Enterprise.
  - (e) Dubai Islamic Bank is a member of the Enterprise, and is separate and distinct from the Enterprise.
  - (f) Dubai Islamic Bank intended to further the Attack and adopted the goal of furthering and/or facilitating that criminal endeavor, which criminal activity culminated in the Attack.
7. The pattern of racketeering activity conducted by Dubai Islamic Bank is separate from the existence of the al Qaida movement, but was a necessary component to the Attack.
  8. The Enterprise conducts terrorism all over the world; the racketeering activity conducted by Dubai Islamic Bank furthers and facilitates that activity, which activity culminated in the Attack. The usual and daily activities of the Enterprise includes recruitment, indoctrination, and the provisioning and operation of training camps, all of which activities are furthered and facilitated by the racketeering activities described herein.
  9. The Enterprise benefits by having funds available to meet its goals of spreading its ideology, suppressing other forms of Islam, and through the gratification of destroying its perceived enemies.
  10. The Enterprise, and the racketeering activities conducted by Dubai Islamic Bank, relies heavily on the American interstate system of commerce for banking, supplies, communications, and virtually all its essential commercial functions, and in that manner affects interstate commerce. Additionally, the Attack itself affected commerce. See Rasul v. Bush, 124 S. Ct. 2686, No. 03-334, 2004 U.S. LEXIS 4760, \* 8 (stating that the Attack “severely damaged the U.S. economy”).
  11. Not applicable.
  12. Not applicable.
  13. The al Qaida movement “employs” certain individuals, only a few of whose identities are known, including defendant Osama bin Ladin.
  14. The history of the conspiracy behind the al Qaida movement could, and has, filled many books, but for purposes of the present RICO Statement, the following is offered. From its inception, the al Qaida movement has and relied on well-placed financial facilitators,

including Dubai Islamic Bank, who laundered funds from Islamic so-called charities and corporations and raised money from witting and unwitting donors. They also relied heavily on certain imams at mosques who were willing to divert the *zakat*, the mandatory charitable contributions required of all Muslims. Al Qaida also collected money from employees of corrupted charities.

The funds thus raised were used to, among other things, operate terrorist training camps in Sudan and Afghanistan, where some recruits were trained in conventional warfare but where the best and most zealous recruits received terrorist training. The curriculum in the camps placed great emphasis on ideological and religious indoctrination. All trainees and other personnel were encouraged to think creatively about ways to commit mass murder.

The camps were able to operate only because of the worldwide network of recruiters, travel facilitators, and document forgers who vetted recruits and helped them get in and out of Sudan, Afghanistan and other countries where al Qaida conducted operations. From the ranks of these recruits the nineteen perpetrators of the Attack were selected. None of this would have been possible without the material support provided by participants and conspirators like Dubai Islamic Bank. Dubai Islamic Bank, with knowledge and intent, agreed to the overall objectives of the conspiracy, and agreed to commit at least two predicate acts and all agreed to participate in the conspiracy, either expressly or impliedly. Dubai Islamic Bank also, with knowledge and intent, agreed to and did aid and abet all of the above illegal activities, RICO predicate acts, and RICO violations.

15. As the subrogees of both individual and property claimants, plaintiffs have been harmed in their business and property through the claims that they have paid out or for which they have reserved.
16. Plaintiffs' damages -- injuries, the loss of life and property damage that resulted from defendants' actions -- are direct in that they are not derivative of damage to a third party. Rather the plaintiffs' insureds' assignees were the "reasonably foreseeable victims of a RICO violation" and the "intended victims of the racketeering enterprise," *i.e.*, terrorism, the culmination of which was the Attack.
17. Each defendant is jointly and severally liable for the damages suffered by each plaintiff, as set forth in Exhibit "B".

18.

<b>VI</b>	Torture Victim Protection Act, 28 U.S.C. § 1350
<b>VIII</b>	RICO, 18 U.S.C. § 1962(c), 1962(d)
<b>X</b>	Anti-Terrorism Act, 18 U.S.C. § 2333

19. pendent state claims:

<b>I</b>	Trespass
<b>II</b>	Wrongful Death
<b>III</b>	Survival
<b>IV</b>	Assault & Battery
<b>V</b>	Intentional and Negligent Infliction of Emotional Distress
<b>VII</b>	Conspiracy
<b>IX</b>	Aiding and Abetting
<b>XI</b>	Negligence
<b>XII</b>	Punitive Damages

20. not applicable

**EXHIBIT "A"**

**RICO STATEMENT**

**QUESTION # 2**

<b>DEFENDANT</b>	<b>MISCONDUCT</b>	<b>BASIS OF LIABILITY</b>
Dubai Islamic Bank	<p>Dubai Islamic Bank has knowingly and repeatedly lent material support to the Enterprise, including the knowing and intentional provision of financial and banking services to several known al Qaida operatives. So pervasive and apparent was the Bank's money laundering on behalf of the Enterprise that in 1999, American officials visited Dubai to demand that the government take steps to end its lax supervision of the Bank. According to a July 8, 1999 State Department press conference, Bank involvement with terrorist money laundering was the key concern.</p> <p>That same day, the New York Times reported that the CIA had obtained evidence that bin Ladin had been allowed to funnel money through the Dubai Islamic Bank, and a subsequent NATO analysis confirmed that al Qaida had used Dubai Islamic Bank to fund the bombings of the American embassies in Tanzania and Kenya.</p> <p>Shortly after the 9/11 Attack, the Central Bank of the UAE froze the accounts of various persons and organizations suspected of ties with the Enterprise, including Dubai Islamic Bank, mirroring the regulatory alert issued by Luxembourg authorities announcing the Bank's ties to Osama bin Ladin.</p> <p>Dubai Islamic Bank was directly involved in the 9/11 attacks. Mustafa Ahmed al-Hisawai (Sheikh Saeed), bin Ladin's chief financial officer, lived in the Emirates from June 2001</p>	1962(c) 1962(d)



until September 11, 2001, when he fled for Karachi, Pakistan. U.S. authorities have identified at least \$500,000 that flowed from his accounts to the 19 hijackers, including hundreds of thousands of dollars in money transfers from Dubai Islamic Bank to two of the hijackers since at least June 2000, to pay for their flight training and expenses. These transactions were carried out in violation of international standards adopted to prevent money laundering, including the 40 Recommendations on Money Laundering adopted in 1990 by the international Financial Action Task Force, of which the UAE is a member.

Dubai Islamic Bank has been a key shareholder in other banks well-known for their involvement in laundering money on behalf of the Enterprise, including the Bank of Credit and Commerce International (BCCI), Tadamon Islamic Bank and Baraka Islamic Bank, an affiliate of Al Baraka Bank.

Despite all these warnings, Dubai Islamic Bank continued to maintain those accounts and Bank knowingly provided financial services and other forms of material support to al Qaida, while disregarding warnings and refusing to adhere to even minimal banking industry standards designed to thwart the support of terrorist networks like the Enterprise through anti-terrorist and money laundering safeguards and “know your customer” regulations.

Dubai Islamic Bank has laundered money for al Qaida, knowingly and intentionally provided financial services to al Qaida including the maintenance of bank accounts, and directly facilitated the training of the September 11 hijackers.

Dubai Islamic Bank thereby has, for a period of many years, provided critical financial and logistical support to al Qaida to support

	that terrorist organization's global jihad. The September 11th Attack was a direct, intended and foreseeable product of Dubai Islamic Bank's participation in al Qaida's jihadist campaign.	
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**EXHIBIT "B"**  
**RICO STATEMENT**

*Federal Insurance Company, et al. v. al Qaida et al., 03cv6978*

<b>Plaintiffs</b>	<b>Total Paid Loss</b>
ACE AMERICAN INSURANCE COMPANY	\$47,868,598.56
ACE BERMUDA INSURANCE LTD	\$298,000,000.00
ACE CAPITAL V LTD	\$118,454,289.00
ACE INA INSURANCE COMPANY OF CANADA	\$15,431,185.61
ACE INDEMNITY INSURANCE COMPANY	\$11,853.55
ACE INSURANCE SA-NV	\$17,990,692.00
ACE PROPERTY & CASUALTY INSURANCE COMPANY	\$34,637.00
AIU INSURANCE COMPANY	\$2,240.00
ALLSTATE INSURANCE COMPANY	\$13,300,834.13
AMERICAN ALTERNATIVE INSURANCE CORPORATION	\$409,507.42
AMERICAN EMPLOYERS' INSURANCE COMPANY	\$325,421.23
AMERICAN GLOBAL INSURANCE COMPANY	\$0.00
AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY	\$42,234,275.74
AMERICAN HOME ASSURANCE COMPANY	\$106,952,607.60
AMERICAN HOME-CANADA	\$400,468,461.54
AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY	\$15,183,595.31
AMERICAN ZURICH INSURANCE COMPANY	\$2,200,467.45
AMLIN UNDERWRITING, LTD.	\$203,040,909.68
ASSURANCE COMPANY OF AMERICA	\$1,999,758.61
ATLANTIC EMPLOYERS INSURANCE COMPANY	\$0.00
AXA ART INSURANCE CORPORATION	\$14,287,543.00
AXA CORPORATE SOLUTIONS ASSURANCE UK BRANCH	\$64,609,064.00
AXA CORPORATE SOLUTIONS INSURANCE COMPANY	\$72,177,208.00
AXA CORPORATE SOLUTIONS REINSURANCE COMPANY	\$87,681,468.00
AXA GLOBAL RISKS UK, LTD.	\$10,986,624.00
AXA RE	\$102,482,949.00
AXA RE CANADIAN BRANCH	\$21,052,888.00
AXA REINSURANCE UK PLC	\$18,068,229.00
BANKERS STANDARD INSURANCE COMPANY	\$23,250,000.00
BIRMINGHAM FIRE INSURANCE COMPANY OF PENNSYLVANIA	\$0.00
BOSTON OLD COLONY INSURANCE COMPANY	\$5,100.00
CHINA AMERICA INSURANCE COMPANY LIMITED	\$3,590,140.08
CHUBB CUSTOM INSURANCE COMPANY	\$612,585.00
CHUBB INDEMNITY INSURANCE COMPANY	\$4,046,510.95
CHUBB INSURANCE COMPANY OF CANADA	\$44,923,071.95
CHUBB INSURANCE COMPANY OF NEW JERSEY	\$412,681.71
CNA CASUALTY OF CALIFORNIA	\$25,771.00
COLONIAL AMERICAN CASUALTY AND SURETY INS. COMPANY	\$20,000.00
COMMERCE AND INDUSTRY INSURANCE COMPANY	\$2,678,408.05
COMMERCE AND INDUSTRY INSURANCE COMPANY OF CANADA	\$27,067.71
COMMERCIAL INSURANCE COMPANY OF NEWARK, NJ	\$141,343.00
CONTINENTAL INSURANCE COMPANY	\$542,627.00
CONTINENTAL INSURANCE COMPANY OF NEW JERSEY	\$39,073.00
CRUM & FORSTER INDEMNITY COMPANY	\$44,300.08
FEDERAL INSURANCE COMPANY	\$1,445,157,526.81
FIDELITY AND CASUALTY COMPANY OF NEW YORK	\$79,856.00
FIDELITY AND DEPOSIT COMPANY OF MARYLAND	\$1,559,298.07
GLENS FALLS INSURANCE COMPANY	\$36,239.00
GRANITE STATE INSURANCE COMPANY	\$348,071.05
GREAT LAKES REINSURANCE U.K. PLC	\$85,172,865.52
GREAT NORTHERN INSURANCE COMPANY	\$601,712,247.63
HISCOX DEDICATED CORPORATE MEMBER, LTD.	\$230,116,847.86
HOMELAND INSURANCE COMPANY OF NEW YORK	\$210,670.75

**EXHIBIT "B"**  
**RICO STATEMENT**

*Federal Insurance Company, et al. v. al Qaida et al., 03cv6978*

<b>Plaintiffs</b>	<b>Total Paid Loss</b>
ILLINOIS NATIONAL INSURANCE COMPANY	\$2,229,043.97
INDEMNITY INSURANCE COMPANY OF NORTH AMERICA	\$7,465,987.17
INSURANCE COMPANY OF NORTH AMERICA	\$78,692.00
LEXINGTON INSURANCE COMPANY	\$158,317,791.42
MARYLAND CASUALTY COMPANY	\$420,000.00
NATIONAL BEN FRANKLIN INSURANCE COMPANY OF ILLINOIS	\$6,442.00
NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH	\$26,647,699.78
NEW HAMPSHIRE INSURANCE COMPANY	\$2,260,134.91
NORTH RIVER INSURANCE COMPANY	\$3,405,966.77
NORTHERN INSURANCE COMPANY OF NEW YORK	\$1,043,292.05
ONE BEACON AMERICA INSURANCE COMPANY	\$85,101.50
ONE BEACON INSURANCE COMPANY	\$185,924,621.93
PACIFIC EMPLOYERS	\$4,868,748.19
PACIFIC INDEMNITY COMPANY	\$23,219,156.70
SENECA INSURANCE COMPANY, INC.	\$4,509,258.43
SPS REASSURANCE	\$79,888,622.00
STEADFAST INSURANCE COMPANY	\$1,828,050.13
THE CAMDEN FIRE INSURANCE ASSOCIATION	\$76,620.00
THE INSURANCE COMPANY STATE OF PENNSYLVANIA	\$114,621.84
THE PRINCETON EXCESS & SURPLUS LINES INSURANCE COMPANY	\$3,796,292.50
TIG INSURANCE COMPANY	\$76,211,229.00
TRANSATLANTIC REINSURANCE COMPANY	\$107,194,221.65
UNITED STATES FIRE INSURANCE COMPANY	\$79,406,680.42
VALIANT INSURANCE COMPANY	\$0.00
VIGILANT INSURANCE COMPANY	\$45,122,662.36
WESTCHESTER FIRE INSURANCE COMPANY	\$14,079,230.00
WESTCHESTER SURPLUS LINES INSURANCE CO.	\$12,705,000.00
WOBURN INSURANCE LTD	\$8,750,000.00
ZURICH AMERICAN INSURANCE COMPANY	\$814,564,757.77
	\$5,784,227,534.14

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re Terrorist Attacks on September 11, 2001	03 MDL 1570 (RCC) ECF Case  <b>RICO STATEMENT applicable to Arab Bank, PLC</b>
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*This document relates to:* Federal Insurance Co. v. al Qaida  
03 CV 06978 (RCC)

**RICO STATEMENT  
APPLICABLE TO ARAB BANK, PLC**

Based on information currently available, plaintiffs submit this RICO statement pursuant to the Case Management Order dated June 15, 2004 for defendant Arab Bank, PLC. Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, much information is presently unavailable to plaintiffs, absent discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.

1. The unlawful conduct is in violation of 18 U.S.C. § 1962(c) and/or (d).
2. The name of the defendants to whom this RICO statement pertains is Arab Bank, PLC. The alleged misconduct and basis for liability is set forth in Exhibit "A".
3. Not applicable. All known wrongdoers are named as defendants in this action. Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, however, much information is unavailable to plaintiffs, and the identities of other wrongdoers may be revealed through discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.
4. The name of each victim and the manner in which each was injured is indicated on the chart attached hereto as Exhibit "B".

5. (a) list of predicate acts and specific statutes violated:

conspiracy to commit murder	NY CLS Penal § 105.15; NY CLS Penal § 125.25(xi)
conspiracy to commit arson	NY CLS Penal § 105.15; NY CLS Penal § 150.15
Travel Act	18 U.S.C. § 1952
illegal transactions in monetary instruments	18 U.S.C. § 1956
money laundering	18 U.S.C. § 1957
defrauding the US Government	18 U.S.C. § 371
filing false or materially false tax returns	26 U.S.C. § 7206(1), (2)
engaging in a corrupt endeavor to impede and impair the due administration of the internal revenue laws	26 U.S.C. § 7212(a)

(b) dates of, the participants in, and a description of the facts surrounding the predicate acts

<b>DATES</b>	<b>PARTICIPANTS</b>	<b>FACTS</b>
mid-1990s to 9/11/2001	Arab Bank	Throughout this period, Arab Bank conspired to support terrorism and to obfuscate the roles of the various participants and conspirators in Radical Muslim Terrorism, which conspiracy culminated in the Attack.
late 1990s to 9/11/2001	Arab Bank	Arab Bank undertook the above-named actions as part of a conspiracy to commit murder and arson, in that it knew that the Enterprise in which it was participating, Radical Muslim Terrorism, planned to and would commit an act of deadly aggression against the United States in the near future, using the resources and support supplied by Arab Bank

mid-1990s to 9/11/2001	Arab Bank	Arab Bank agreed to form and associate itself with the Enterprise and agreed to commit more than two predicate acts, <i>i.e.</i> , multiple acts of murder and arson, in furtherance of a pattern of racketeering activity in connection with the Enterprise.
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(c) not applicable

(d) No.

(e) No.

(f) The predicate acts form a pattern of racketeering in that they are continuous, and are a part of the Enterprise’s regular way of doing business. Other of the defendants consistently, evenly constantly, laundered money, filed false tax returns, and otherwise impeded and impaired the administration of the tax laws as part of their scheme to conduit money to terrorists, and yet obfuscate their support of Radical Muslim Terrorism.

(g) The predicate acts relate to each other (horizontal relatedness) as part of a common plan because each act of money laundering and tax evasion allowed certain of the defendants to surreptitiously provide funds to terrorist organizations, including al Qaida, which conspiracy culminated in the Attack.

6.

(a) The enterprise (the “Enterprise” or “Radical Muslim Terrorism”) is comprised of the defendants named in the First Amended Complaint, and is a collection of persons, organizations, businesses, and nations associated in fact.

(b) The Enterprise has its origins in the defeat of the Soviets in Afghanistan in the late 1980s, when Osama Bin Ladin (“Bin Ladin”) formed an organization called “The Foundation” or “al Qaida.” Al Qaida was intended to serve as a foundation upon which to build a global Islamic army. The structure of the Enterprise is an association in fact with common and complex goals that consist of far more than the mere desire to perpetrate the acts of racketeering outlined herein. Rather, the Enterprise utilizes acts of racketeering to further its overall common purposes of: (i) spreading a particularly virulent brand of radical, conservative Islam; (ii) eliminating Western influences in Islamic countries, including Western influences that are perceived to keep in power repressive Arab regimes that are not true to Islam; and (iii) punishing Israel, and the United States for its perceived support of Israel. Radical Muslim Terrorism does not feature a centralized hierarchy, because the lack of a centralized hierarchy is essential to the Enterprise’s clandestine nature and its success. Thus, although al Qaida had its own membership roster and a structure of “committees” to guide and oversee such functions as training terrorists, proposing targets, financing operations, and issuing edicts, the committees were not a hierarchical chain of command but were instead a means for

coordinating functions and providing material support to operations. Arab Bank fits neatly into this framework by raising funds for and providing funding to and otherwise providing material support for the members of the Enterprise who engaged in the Attack.

- (c) no.
  - (d) Arab Bank is associated with the Enterprise.
  - (e) Arab Bank is a member of the Enterprise, and is separate and distinct from the Enterprise.
  - (f) Arab Bank intended to further the Attack and adopted the goal of furthering and/or facilitating that criminal endeavor, which criminal activity culminated in the Attack.
7. The pattern of racketeering activity conducted by Arab Bank is separate from the existence of Radical Muslim Terrorism, but was a necessary component to the Attack.
  8. The Enterprise conducts terrorism all over the world; the racketeering activity conducted by Arab Bank funds that activity, which activity culminated in the Attack. The usual and daily activities of the Enterprise includes recruitment, indoctrination, and the provisioning and operation of training camps, all of which activities are funded by the racketeering activities described herein.
  9. The Enterprise benefits by spreading its ideology, by suppressing other forms of Islam, and through the gratification of destroying its perceived enemies.
  10. The Enterprise, and the racketeering activities conducted by Arab Bank, relies heavily on the American interstate system of commerce for banking, supplies, communications, and virtually all its essential commercial functions, and in that manner affects interstate commerce. Additionally, the Attack itself affected commerce. See Rasul v. Bush, 124 S. Ct. 2686, No. 03-334, 2004 U.S. LEXIS 4760, \* 8 (stating that the Attack “severely damaged the U.S. economy”).
  11. Not applicable.
  12. Not applicable.
  13. Radical Muslim Terrorism “employs” certain individuals, only a few of whose identities are known, including defendant Osama bin Ladin.
  14. The history of the conspiracy behind Radical Muslim Terrorism could, and has, filled many books, but for purposes of the present RICO Statement, the following is offered. After being turned out of the Sudan in May 1996, al Qaida established itself in Afghanistan, and relied on well-placed financial facilitators, including Arab Bank, who laundered funds from Islamic so-called charities and corporations and raised money from witting and unwitting donors. They also relied heavily on certain imams at mosques who



were willing to divert the *zakat*, the mandatory charitable contributions required of all Muslims. Al Qaida also collected money from employees of corrupted charities.

The funds thus raised were used to, among other things, operate terrorist training camps in Afghanistan, where some recruits were trained in conventional warfare but where the best and most zealous recruits received terrorist training. The curriculum in the camps placed with great emphasis on ideological and religious indoctrination. All trainees and other personnel were encouraged to think creatively about ways to commit mass murder.

The camps were able to operate only because of the worldwide network of recruiters, travel facilitators, and document forgers who vetted recruits and helped them get in and out of Afghanistan. From the ranks of these recruits the nineteen perpetrators of the Attack were selected. None of this would have been possible without the funds supplied by participants and conspirators like Arab Bank. Indeed, the Enterprise would not have been successful without the enthusiastic participation of all of the conspirators, including Arab Bank. In order to identify nineteen individuals willing, able and competent to carry out the Attack, al Qaida needed to select from a vast pool of recruits and trainees, which pool would not have been available to it without the assistance provided by Arab Bank. Arab Bank, with knowledge and intent, agreed to the overall objectives of the conspiracy, and agreed to commit at least two predicate acts and all agreed to participate in the conspiracy, either expressly or impliedly. Arab Bank also, with knowledge and intent, agreed to and did aid and abet all of the above illegal activities, RICO predicate acts, and RICO violations.

15. As the subrogees of both individual and property claimants, plaintiffs have been harmed in their business and property through the claims that they have paid out or for which they have reserved.
16. Plaintiffs' damages -- injuries, the loss of life and property damage that resulted from defendants' actions -- are direct in that they are not derivative of damage to a third party. Rather the plaintiffs' insureds' assignees were the "reasonably foreseeable victims of a RICO violation" and the "intended victims of the racketeering enterprise," *i.e.*, terrorism, the culmination of which was the Attack.
17. Each defendant is jointly and severally liable for the damages suffered by each plaintiff, as set forth in Exhibit "B".

18.

<b>VI</b>	Torture Victim Protection Act, 28 U.S.C. § 1350
<b>VIII</b>	RICO, 18 U.S.C. § 1962(c), 1962(d)
<b>X</b>	Anti-Terrorism Act, 18 U.S.C. § 2333

19. pendent state claims:

<b>I</b>	Trespass
<b>II</b>	Wrongful Death
<b>III</b>	Survival
<b>IV</b>	Assault & Battery
<b>V</b>	Intentional and Negligent Infliction of Emotional Distress
<b>VII</b>	Conspiracy
<b>IX</b>	Aiding and Abetting
<b>XI</b>	Negligence
<b>XII</b>	Punitive Damages

20. not applicable

**EXHIBIT "A"**

**RICO STATEMENT**

**QUESTION # 2**

<b>DEFENDANT</b>	<b>MISCONDUCT</b>	<b>BASIS OF LIABILITY</b>
Arab Bank	<p>Arab Bank has long provided financial services and other forms of material support to terrorist organizations, including al Qaida. Spanish investigators have confirmed that al Qaida transferred money to the Spanish logistical cell that funded the September 11<sup>th</sup> Attack through Arab Bank. Arab Bank accounts have also been used to distribute funds to al Qaida cells in other parts of the world. Arab Bank also maintains accounts for many of the so-called charity defendants that operate within al Qaida's infrastructure. The Kingdom of Saudi Arabia uses these accounts to fund al Qaida operations, and as the principal vehicle for supporting Palestinian suicide attacks. Arab Bank has long known that accounts it maintained were being used to solicit and transfer funds to terrorist organizations, including al Qaida. Despite this knowledge, Arab Bank has continued to maintain those accounts. In doing so, Arab Bank knowingly provided financial services and other forms of material support to al Qaida. As the forgoing demonstrates, Arab Bank has, for a period of many years, provided critical financial and logistical support to al Qaida in relation to that terrorist organization's global jihad.</p>	1962(c) 1962(d)

**EXHIBIT "A"**

**RICO STATEMENT**

**QUESTION # 2**

<b>DEFENDANT</b>	<b>MISCONDUCT</b>	<b>BASIS OF LIABILITY</b>
Arab Bank	<p>Arab Bank has long provided financial services and other forms of material support to terrorist organizations, including al Qaida. Spanish investigators have confirmed that al Qaida transferred money to the Spanish logistical cell that funded the September 11<sup>th</sup> Attack through Arab Bank. Arab Bank accounts have also been used to distribute funds to al Qaida cells in other parts of the world. Arab Bank also maintains accounts for many of the so-called charity defendants that operate within al Qaida's infrastructure. The Kingdom of Saudi Arabia uses these accounts to fund al Qaida operations, and as the principal vehicle for supporting Palestinian suicide attacks. Arab Bank has long known that accounts it maintained were being used to solicit and transfer funds to terrorist organizations, including al Qaida. Despite this knowledge, Arab Bank has continued to maintain those accounts. In doing so, Arab Bank knowingly provided financial services and other forms of material support to al Qaida. As the forgoing demonstrates, Arab Bank has, for a period of many years, provided critical financial and logistical support to al Qaida in relation to that terrorist organization's global jihad.</p>	1962(c) 1962(d)

**EXHIBIT “B”**

**RICO STATEMENT**

<i>Federal Insurance Company, et al. v. al Qaida et al., 03cv6978 Plaintiffs</i>	<b>Paid to Date</b>
ALLSTATE INSURANCE COMPANY	\$12,945,647.78
AMERICAN ALTERNATIVE INSURANCE CORPORATION	\$2,590,862.56
AMERICAN EMPLOYERS’ INSURANCE COMPANY	\$325,421.23
AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY	\$44,407,749.17
AMERICAN ZURICH INSURANCE COMPANY	\$2,365,183.61
AMLIN UNDERWRITING, LTD.	\$66,991,142.12
ASSURANCE COMPANY OF AMERICA	\$2,417,600.19
BOSTON OLD COLONY INSURANCE COMPANY	\$5,100.00
CHUBB CUSTOM INSURANCE COMPANY	\$612,585.00
CHUBB INDEMNITY INSURANCE COMPANY	\$3,771,622.01
CHUBB INSURANCE COMPANY OF CANADA	\$44,547,557.24
CHUBB INSURANCE COMPANY OF NEW JERSEY	\$410,681.69
CNA CASUALTY OF CALIFORNIA	\$25,771.00
COLONIAL AMERICAN CASUALTY AND SURETY INS. COMPANY	\$21,400.00
COMMERCIAL INSURANCE COMPANY OF NEWARK, NJ	\$141,343.00
CONTINENTAL INSURANCE COMPANY	\$542,627.00
CONTINENTAL INSURANCE COMPANY OF NEW JERSEY	\$39,073.00
CRUM & FORSTER INDEMNITY COMPANY	\$44,300.08
FEDERAL INSURANCE COMPANY	\$1,310,819,537.70
FIDELITY AND CASUALTY COMPANY OF NEW YORK	\$79,856.00
FIDELITY AND DEPOSIT COMPANY OF MARYLAND	\$7,636,903.02
GLENS FALLS INSURANCE COMPANY	\$36,239.00
GREAT LAKES REINSURANCE U.K. PLC	\$57,682,223.62
GREAT NORTHERN INSURANCE COMPANY	\$598,520,989.15
HISCOX DEDICATED CORPORATE MEMBER, LTD.	\$228,774,228.62
HOMELAND INSURANCE COMPANY OF NEW YORK	\$210,670.75
MARYLAND CASUALTY COMPANY	\$448,063.19
NATIONAL BEN FRANKLIN INSURANCE COMPANY OF ILLINOIS	\$6,442.00
NORTH RIVER INSURANCE COMPANY	\$3,405,966.77
NORTHERN INSURANCE COMPANY OF NEW YORK	\$1,288,908.39
ONE BEACON AMERICA INSURANCE COMPANY	\$85,101.50
ONE BEACON INSURANCE COMPANY	\$185,924,621.93
PACIFIC INDEMNITY COMPANY	\$20,917,471.59
SENECA INSURANCE COMPANY, INC.	\$4,039,407.18
STEADFAST INSURANCE COMPANY	\$392,783.63
THE CAMDEN FIRE INSURANCE ASSOCIATION	\$76,620.00
THE PRINCETON EXCESS & SURPLUS LINES INSURANCE COMPANY	\$3,796,292.50
UNITED STATES FIRE INSURANCE COMPANY	\$75,434,277.11
VALIANT INSURANCE COMPANY	\$3,500.00
VIGILANT INSURANCE COMPANY	\$41,781,107.08
ZURICH AMERICAN INSURANCE COMPANY	\$783,686,766.26

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re Terrorist Attacks on September 11, 2001	03 MDL 1570 (RCC) ECF Case  <b>RICO STATEMENT applicable to Saudi American Bank</b>
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*This document relates to:* Federal Insurance Co. v. al Qaida  
03 CV 06978 (RCC)

**RICO STATEMENT  
APPLICABLE TO SAUDI AMERICAN BANK**

Based on information currently available, plaintiffs submit this RICO statement pursuant to the Case Management Order dated June 15, 2004 for defendant Saudi American Bank.

Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, much information is presently unavailable to plaintiffs, absent discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.

1. The unlawful conduct is in violation of 18 U.S.C. § 1962(c) and/or (d).
2. The name of the defendants to whom this RICO statement pertains is Saudi American Bank. The alleged misconduct and basis for liability is set forth in Exhibit "A".
3. Not applicable. All known wrongdoers are named as defendants in this action. Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, however, much information is unavailable to plaintiffs, and the identities of other wrongdoers may be revealed through discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.

4. The name of each victim and the manner in which each was injured is indicated on the chart attached hereto as Exhibit "B".
5. (a) list of predicate acts and specific statutes violated:

conspiracy to commit murder	NY CLS Penal § 105.15; NY CLS Penal § 125.25(xi)
conspiracy to commit arson	NY CLS Penal § 105.15; NY CLS Penal § 150.15
Travel Act	18 U.S.C. § 1952
illegal transactions in monetary instruments	18 U.S.C. § 1956
money laundering	18 U.S.C. § 1957
defrauding the US Government	18 U.S.C. § 371
filing false or materially false tax returns	26 U.S.C. § 7206(1), (2)
engaging in a corrupt endeavor to impede and impair the due administration of the internal revenue laws	26 U.S.C. § 7212(a)

- (b) dates of, the participants in, and a description of the facts surrounding the predicate acts
- 

<b>DATES</b>	<b>PARTICIPANTS</b>	<b>FACTS</b>
mid-1990s to 9/11/2001	Saudi American Bank	Throughout this period, Saudi American Bank conspired to support terrorism and to obfuscate the roles of the various participants and conspirators in Radical Muslim Terrorism, which conspiracy culminated in the Attack.
late 1990s to 9/11/2001	Saudi American Bank	Saudi American Bank undertook the above-named actions as part of a conspiracy to commit murder and arson, in that it knew that the Enterprise in which it was participating, Radical Muslim Terrorism, planned to and would commit an act of

		deadly aggression against the United States in the near future, using the resources and support supplied by Saudi American Bank
mid-1990s to 9/11/2001	Saudi American Bank	Saudi American Bank agreed to form and associate itself with the Enterprise and agreed to commit more than two predicate acts, <i>i.e.</i> , multiple acts of murder and arson, in furtherance of a pattern of racketeering activity in connection with the Enterprise.

(c) not applicable

(d) No.

(e) No.

(f) The predicate acts form a pattern of racketeering in that they are continuous, and are a part of the Enterprise’s regular way of doing business. Other of the defendants consistently, evenly constantly, laundered money, filed false tax returns, and otherwise impeded and impaired the administration of the tax laws as part of their scheme to conduit money to terrorists, and yet obfuscate their support of Radical Muslim Terrorism.

(g) The predicate acts relate to each other (horizontal relatedness) as part of a common plan because each act of money laundering and tax evasion allowed certain of the defendants to surreptitiously provide funds to terrorist organizations, including al Qaida, which conspiracy culminated in the Attack.

6.

(a) The enterprise (the “Enterprise” or “Radical Muslim Terrorism”) is comprised of the defendants named in the First Amended Complaint, and is a collection of persons, organizations, businesses, and nations associated in fact.

(b) The Enterprise has its origins in the defeat of the Soviets in Afghanistan in the late 1980s, when Osama Bin Ladin (“Bin Ladin”) formed an organization called “The Foundation” or “al Qaida.” Al Qaida was intended to serve as a foundation upon which to build a global Islamic army. The structure of the Enterprise is an association in fact with common and complex goals that consist of far more than the mere desire to perpetrate the acts of racketeering outlined herein. Rather, the Enterprise utilizes acts of racketeering to further its overall common purposes of: (i) spreading a particularly virulent brand of radical, conservative Islam; (ii) eliminating Western influences in Islamic countries, including Western influences that are perceived to keep in power repressive Saudi American regimes that are not true to Islam; and (iii) punishing Israel, and the United States for its perceived support of Israel. Radical Muslim Terrorism does not feature a centralized hierarchy, because the lack of a centralized hierarchy is essential



to the Enterprise's clandestine nature and its success. Thus, although al Qaida had its own membership roster and a structure of "committees" to guide and oversee such functions as training terrorists, proposing targets, financing operations, and issuing edicts, the committees were not a hierarchical chain of command but were instead a means for coordinating functions and providing material support to operations. Saudi American Bank fits neatly into this framework by raising funds for and providing funding to and otherwise providing material support for the members of the Enterprise who engaged in the Attack.

- (c) no.
  - (d) Saudi American Bank is associated with the Enterprise.
  - (e) Saudi American Bank is a member of the Enterprise, and is separate and distinct from the Enterprise.
  - (f) Saudi American Bank intended to further the Attack and adopted the goal of furthering and/or facilitating that criminal endeavor, which criminal activity culminated in the Attack.
7. The pattern of racketeering activity conducted by Saudi American Bank is separate from the existence of Radical Muslim Terrorism, but was a necessary component to the Attack.
  8. The Enterprise conducts terrorism all over the world; the racketeering activity conducted by Saudi American Bank funds that activity, which activity culminated in the Attack. The usual and daily activities of the Enterprise includes recruitment, indoctrination, and the provisioning and operation of training camps, all of which activities are funded by the racketeering activities described herein.
  9. The Enterprise benefits by spreading its ideology, by suppressing other forms of Islam, and through the gratification of destroying its perceived enemies.
  10. The Enterprise, and the racketeering activities conducted by Saudi American Bank, relies heavily on the American interstate system of commerce for banking, supplies, communications, and virtually all its essential commercial functions, and in that manner affects interstate commerce. Additionally, the Attack itself affected commerce. See Rasul v. Bush, 124 S. Ct. 2686, No. 03-334, 2004 U.S. LEXIS 4760, \* 8 (stating that the Attack "severely damaged the U.S. economy").
  11. Not applicable.
  12. Not applicable.
  13. Radical Muslim Terrorism "employs" certain individuals, only a few of whose identities are known, including defendant Osama bin Ladin.

14. The history of the conspiracy behind Radical Muslim Terrorism could, and has, filled many books, but for purposes of the present RICO Statement, the following is offered. After being turned out of the Sudan in May 1996, al Qaida established itself in Afghanistan, and relied on well-placed financial facilitators, including Saudi American Bank, who laundered funds from Islamic so-called charities and corporations and raised money from witting and unwitting donors. They also relied heavily on certain imams at mosques who were willing to divert the *zakat*, the mandatory charitable contributions required of all Muslims. Al Qaida also collected money from employees of corrupted charities.

The funds thus raised were used to, among other things, operate terrorist training camps in Afghanistan, where some recruits were trained in conventional warfare but where the best and most zealous recruits received terrorist training. The curriculum in the camps placed with great emphasis on ideological and religious indoctrination. All trainees and other personnel were encouraged to think creatively about ways to commit mass murder.

The camps were able to operate only because of the worldwide network of recruiters, travel facilitators, and document forgers who vetted recruits and helped them get in and out of Afghanistan. From the ranks of these recruits the nineteen perpetrators of the Attack were selected. None of this would have been possible without the funds supplied by participants and conspirators like Saudi American Bank. Indeed, the Enterprise would not have been successful without the enthusiastic participation of all of the conspirators, including Saudi American Bank. In order to identify nineteen individuals willing, able and competent to carry out the Attack, al Qaida needed to select from a vast pool of recruits and trainees, which pool would not have been available to it without the assistance provided by Saudi American Bank. Saudi American Bank, with knowledge and intent, agreed to the overall objectives of the conspiracy, and agreed to commit at least two predicate acts and all agreed to participate in the conspiracy, either expressly or impliedly. Saudi American Bank also, with knowledge and intent, agreed to and did aid and abet all of the above illegal activities, RICO predicate acts, and RICO violations.

15. As the subrogees of both individual and property claimants, plaintiffs have been harmed in their business and property through the claims that they have paid out or for which they have reserved.
16. Plaintiffs' damages -- injuries, the loss of life and property damage that resulted from defendants' actions -- are direct in that they are not derivative of damage to a third party. Rather the plaintiffs' insureds' assignees were the "reasonably foreseeable victims of a RICO violation" and the "intended victims of the racketeering enterprise," *i.e.*, terrorism, the culmination of which was the Attack.
17. Each defendant is jointly and severally liable for the damages suffered by each plaintiff, as set forth in Exhibit "C".

- 18.

<b>VI</b>	Torture Victim Protection Act, 28 U.S.C. § 1350
<b>VIII</b>	RICO, 18 U.S.C. § 1962(c), 1962(d)
<b>X</b>	Anti-Terrorism Act, 18 U.S.C. § 2333

19. pendent state claims:

<b>I</b>	Trespass
<b>II</b>	Wrongful Death
<b>III</b>	Survival
<b>IV</b>	Assault & Battery
<b>V</b>	Intentional and Negligent Infliction of Emotional Distress
<b>VII</b>	Conspiracy
<b>IX</b>	Aiding and Abetting
<b>XI</b>	Negligence
<b>XII</b>	Punitive Damages

20. not applicable

**EXHIBIT "A"**

**RICO STATEMENT**

**QUESTION # 2**

<b>DEFENDANT</b>	<b>MISCONDUCT</b>	<b>BASIS OF LIABILITY</b>
Saudi American Bank	<p>The Saudi American Bank has long provided financial services and other forms of material support to terrorist organizations, including al Qaida. The Saudi American Bank is a financial institution headquartered in Riyadh, Saudi Arabia. The Saudi American Bank was established by royal decree in 1980. The Saudi American Bank financed many of the projects undertaken by Osama bin Laden and al Qaida in the Sudan during the years that the al Qaida leadership structure operated from that country, including the construction of major roads and the Port of Sudan airport. Defendants Saudi Bin Laden Group and Mohamed Bin Laden Organization provided technical assistance on these projects. Further, from 1996 through 2001, the Saudi American Bank funneled money to and/or from the Spanish al Qaida cell.</p>	1962(c) 1962(d)

**EXHIBIT "B"**

**RICO STATEMENT**

<i>Federal Insurance Company, et al. v. al Qaida et al., 03cv6978 Plaintiffs</i>	<b>Paid to Date</b>
ALLSTATE INSURANCE COMPANY	\$12,945,647.78
AMERICAN ALTERNATIVE INSURANCE CORPORATION	\$2,590,862.56
AMERICAN EMPLOYERS' INSURANCE COMPANY	\$325,421.23
AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY	\$44,407,749.17
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CHUBB INDEMNITY INSURANCE COMPANY	\$3,771,622.01
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FIDELITY AND DEPOSIT COMPANY OF MARYLAND	\$7,636,903.02
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ONE BEACON AMERICA INSURANCE COMPANY	\$85,101.50
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