

Printed on 26/3/2010

Intelligence Report

URN: HCRR00003492

Subject: Diversion of 272 Cases WINSTON from IBCS to Jalat KHAN

Submitted by:

Source: MULTIPLE

Unit: BI Intelligence

Syndicate:

Summary:

According to Afghan cigarette trader Habib GULZAR, habib@habibgulzar.com, speaking in early September 2009, "reliable sources in Dubai" provided the attached documents dated 23 August 2009 confirming the sale of 272 cases of WINSTON by IBCS Trading and Distribution, PO Box 23489, Sharjah, UAE; Tel: +971 65723078, +971 65725109; email ibcs.sharjah@audeh-group.com to Jalat KHAN. [NB: IBCS is owned by Issah AUDEH and is a key distributor for WWDF, while Jalat Khan, principally through his firm JK International is a well known smuggler principally targeting the Iran market and also the owner of Arya Tobacco, which reportedly has manufactured counterfeit international brands. Khan also reportedly was linked to the February 2006 diversion of 450 cases of SEVEN STARS from Afghanistan to the Philippines via the firm Yau Lee Holdings. Habib Gulzar is the authorized ADF distributor in Afghanistan and receives shipments via TWLT. End NB]

Per the attached documents, a person named P. VENUGOPAL issued the letter to Khan on behalf of IBCS confirming the sale. Venugopal advises Khan that the 272 cases would be shipped to him via forwarder Steinweg Sharaf FZE, in Dubai. He also attached for Khan Invoice Number 1276 dated 19 August 2009 for the cigarettes, an Original Certificate of Origin issued by the Sharjah Chamber of Commerce, and a Packing List.

The Invoice indicates that the cigarettes were sold by IBCS to Afghan Duty Free, Najeeb Zarab Complex, Kabul, Afghanistan, Tel: +937 9833333 and were to be delivered via Steinweg Sharaf FZE, PO Box 17013, Jebel Ali Free Zone, Dubai; Tel: +971 506858367.

The terms are FOB Dubai at US\$263 per case of WINSTON identified as produced in Switzerland 73 cases of WINSTON Filter KS Soft B/E No. 1-1-51-2904, 25 cases of WINSTON Filter Soft B/E No. 1-1-51-5987, 77 cases of WINSTON Lights KS Box B/E/ No. 1-1-51-5987, and 97 cases of WINSTON Ultra Lights Box B/E/ No. 1-1-51-5987. Total price is cited as US\$71,536.00 payable to IBCS Trading and Distributing, USD Account Number 052 400 260 070727 013 at Blom Bank - France, Sharjah, UAE.

According to Gulzar,

- In 2007, Gulzar purchased back 300 cases of SSCL from Jalat Khan in Dubai from the stocks which he had smuggled out of Afghanistan to the Philippines market. Gulzar claimed that Khan has been involved in smuggling out 1000's of SEVEN STARS CUSTOM Lights to Philippines and Taiwan for which JTI has the records in their files.

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- Khan together with the owner of Concord Tobacco (his cousin) is involved in producing fake cigarettes in Dubai. (NB: Concord Tobacco has been raided several times in the past five years and found to be counterfeiting JTI and Imperial Tobacco brands. End NB)
- Khan was also involved in importing fake MARLBORO from China
- Khan's purchase of 272 cases of WINSTON is likely bound for the Iran market.

Another source provided the following details on the members of the IBCS group possibly involved in diverting and/or smuggling JTI cigarettes:

Petros VARDAS - petros.vardas@audeh-group.com and possibly vardas.petros@audgroup.com

Issa AUDEH - ibcs_cy@audgroup.com and audeh.issa@audgroup.com

Bassam AUDEH - audeh.bassam@audgroup.com

Issa Michael MATAKA - mid-east@nol.com.jo

Images:

Linked Records

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Intelligence Report

URN: HCRR00002126

Subject: Detention of CRXU2037769 Containing WINCHESTER & TRI STAR In Transit To Iraq

Submitted by:

Source: MULTIPLE

Unit: BI Europe

Syndicate: Turkey

Summary:

Based on our intelligence, Customs in Mersin, Turkey opened container # CRXU 203776-9 on Saturday 26 July 2008.

It contained 2 brands, WINCHESTER EXPORT LIGHTS & THREE STAR, which we believe to be a von Eicken of Germany brand. 2 other transit containers were also opened, however these turned out to be KARELIA SLIMS & ROTHMANS, not our brands.

The details of the container holding the WINCHESTER :

CONTAINER NO: CRXU 203776-9

SHIPPER: CIRCUIT LOGISTIC LIMITED SAL (OFFSHORE) BEIRUT LEBANON

CONSIGNEE : MCS DENIZCILIK NAKLIYAT TURIZM SAN.VE TIC LTD STİ .

CAKMAK CADDESİ GOKCE İŞ MERKEZİ NO:9 KAT 7 MERSİN TURKEY

NOTIFY : MIEL TRADING

VESSEL : MV ICE SUN

FLAG: GIBRALTAR

PORT OF LOADING: BEIRUT

LOAD: 425 MC

MERSIN TRANSIT TO IRAQ

There was no count done in front of us , as it was a Saturday Customs were not prepared to empty it out, however we were advised that there were 350 MC of WINCHESTER in the Container.

Also in the container according to Miel's invoice # 00310 was:

100 MC L&M LIGHTS

10 MC DAVIDOFF LIGHTS

65 MC THREE STAR LIGHTS

Samples were sent to Trier for lab analysis . The Lab later confirmed that they received a carton of WINCHESTER EXPORT LIGHTS CPB with US Vol. HW (QA code: 322-2008) - which was identified as Genuine product from Turkey produced on June 11, 2007 with Pack code: FFH11B05

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The goods were made in Turkey on 11 June 08 and the entire production run was sold to IBCS in Sharjah and delivered FOB Izmir Factory to Interworld SARL (Zone France Depot No 6105 in Beirut).

The sellers of the cigarettes was: Circuit logistics Ltd. Sal. Beirut. Tel +961 6470458. Fax +961 647????.

The buyer was Miel Trading Ltd. Famagusta Northern Cyprus.

The firm MCD Denizcilik Nakliyat Turizm San. Ve Tic. Ltd Mersin being the notify party. The fax number used on the invoice comes from Denizcilik and is +90 3242374555.

Interworld changed their selling practices post this detention to no more than 2 unopened master cases. Market they were targetting was Syria via chandlers and UN sales.

The cigarettes had to be released as they proved genuine and correctly declared there being no way of preventing their onward movement according to the Turkish Customs Code.

Images:

Linked Records

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Firm – Factory

URN: HCFJ00001631

Name: IBCS Trading and Distribution Co. Ltd

Address in English:
Sharjah

Comments:

Direct Tel : +357 25837140

Switchboard +357 25837000

Fax : +357 25343255

Web: www.audeh-group.com <<http://www.audeh-group.com/>>

Based on our intelligence, Customs in Mersin, Turkey opened container # CRXU 203776-9 on Saturday 26 July 2008.

It contained 2 brands, WINCHESTER EXPORT LIGHTS & THREE STAR, which we believe to be a von Eicken of Germany brand. 2 other transit containers were also opened, however these turned out to be KARELIA SLIMS & ROTHMANS, not our brands. Samples were sent to Trier for lab analysis. The Lab later confirmed that they received a carton of WINCHESTER EXPORT LIGHTS CPB with US Vol. HW (QA code: 322-2008) - which was identified as Genuine product from Turkey produced on June 11, 2007 with Pack code: FFH11B05

The goods were made in Turkey on 11 June 08 and the entire production run was sold to IBCS in Sharjah and delivered FOB Izmir Factory to Interworld SARL (Zone France Depot No 6105 in Beirut).

Images:

Linked Records

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Firm – Factory

URN: HCFJ00001632

Name: Interworld SARL

Address in English:

Interworld SARL ,
Zone France Depot No 6105,
Beirut
Lebanon

Comments:

Based on our intelligence, Customs in Mersin, Turkey opened container # CRXU 203776-9 on Saturday 26 July 2008.

It contained 2 brands, WINCHESTER EXPORT LIGHTS & THREE STAR, which we believe to be a von Eicken of Germany brand. 2 other transit containers were also opened, however these turned out to be KARELIA SLIMS & ROTHMANS, not our brands.

Samples were sent to Trier for lab analysis. The Lab later confirmed that they received a carton of WINCHESTER EXPORT LIGHTS CPB with US Vol. HW (QA code: 322-2008) - which was identified as Genuine product from Turkey produced on June 11, 2007 with Pack code: FFH11B05

The goods were made in Turkey on 11 June 08 and the entire production run was sold to IBCS in Sharjah and delivered FOB Izmir Factory to Interworld SARL (Zone France Depot No 6105 in Beirut).

Images:

Linked Records

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Firm – Factory

URN: HCFJ00001630

Name: Miel Trading ltd

Address in English:
Famagusta free port - nctr
Northern Cyprus

Comments:

Named as the buyer of 350 master cases of original WINCHESTER EXPORT LIGHTS in July 2008 being sent to Iraq.

On 25 February it was named as the sender of a shipment of 400 master cases WINSTON Ultra Lights from Famagusta via Turkey to Iraq.

Images:

Linked Records

Printed on 26/3/2010

Intelligence Report

URN: HCRR00003468

Subject: 400 MC WINSTON via Turkey to Iraq

Submitted by:

Source: BRESFOR

Unit: BI MENA

Syndicate:

Summary:

On 23 February 2010, It was reported that a shipment of 400 master cases WINSTON Ultra Lights was transported on 22 February 2010 from Magosa (North Cyprus) to the Mersin Free Zone. A truck with the licence plate number TFN631648R was shipped from North Cyprus by the Ro/Ro vessel "Ibris Gunesli" to the Mersin Free Zone.

The sender of the shipment was:

Miel Trading ltd. Famagusta free port -nctr and the receiver was registered as: Hiba Co., General Trading, Dohuk Office, Dohuk-Iraq.

The transport company responsible for further transportation from the Mersin Free Zone to the Habur border with Iraq was:

Teknotas Uluslararası Nakliyat (Teknotas International trade & transport ltd. co) <<http://www.teknotas.com.tr/bos1-enu.asp.htm>>. The cigarettes were transported with a different vehicle, brand Mercedes, color white with the license plate of the Truck / Trailer: 47KV550 / 47NC410 . The trailer had a grey color with the name / logo "Atak"

On Friday 26 February 2010 the mentioned truck was checked at the Habur border and the following details became known:

400 master cases WINSTON Ultra Lights.

It seems that a shipping company called UTI from Haifa - Israel, shipped them to North Cyprus.

The available code's of the WINSTON's are: One master case with the code:

00012300703109 and a Carton with the code: 00012300703130 . Also the following code of a Winston carton was mentioned: K9/5C1 9 /2K3 .

During the time of this inspection the customs officers at the Habur border noticed a second truck with the same logo / name "Atak" and also searched this truck / trailer and discovered 40 master cases CAMEL Lights. The details of the second truck / trailer are brand Daf, color white with the license plate number of the truck 33HV896.

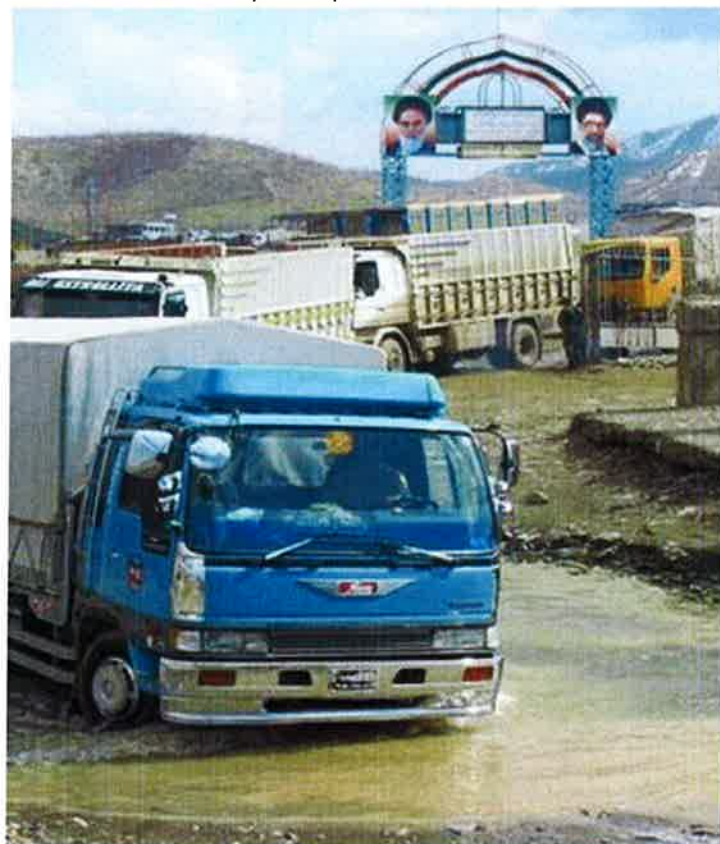
After inspection by Customs both trucks passed the Habur border and drove into Iraq. The truck with the 400 master cases WINSTON drove to Iran (see attached Beagle report) and the truck with the 40 mastercases drove direction Central Iraq.

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Images:



Trucks at the Turkey - Iraq border



Trucks moving to Iraq





Linked Records

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Intelligence Report

URN: HCRR00003249

Subject: Background on Key Middle East Cigarette Producers and Traders

Submitted by:

Source: SANYO

Unit: BI Intelligence

Syndicate:

Summary:

As of 6 December 2009, the following information was available on select key Middle East producers and traders.

European Tobacco Jordan Ltd

The European Tobacco Group remains in business and is producing, selling, distributing and buying both legitimate products but also counterfeited cigarettes. The company European Tobacco Jordan Ltd (incorporated on Feb.11, 2002) is a 50/50 JV between the Nasri family through Union Inter Ocean Ltd (!) and Talat Marie family.

On the Nasri Group website - <http://www.ngcompanies.com/com/tobacco.html> - they still mention that the European Tobacco Jordan Limited company based in Amman would have annual capacities "of 1,440,000,000 cigarettes' sticks for the local domestic market" and export producing "Gauloises and Gitanes" under license of ALTADIS (this website does not seem to have been updated since a long time!).

The address of the company is HAY AL RAJEEM STREET / SAHEB AREA/PO BOX 11 118 JORDAN

It is true that the MARIE GROUP is one of the shareholders (50% through the father and the 4 sons). If you have a look at the website www.marie-group.com <<http://www.marie-group.com>>, you will get the picture of the executives of this Group and a 'nice' picture of the factory.

Concerning UNION INTEROCEAN LIMITED, it would seem that it is a ROMANIAN company (more information about that is to be found later in the text of the report).

On the website of the MARIE GROUP, there is a picture of what is supposed to be the EUROPEAN TOBACCO factory in Amman. We however already noticed that the NASRI GROUP was showing same pictures for factories located in different countries! Therefore, if the Client needs to know exactly where is the factory in Amman and what it looks like, a site visit has to be organized and many pictures taken. This is something FIP now can

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take care of if it is important for the Client because we have a full time correspondent in Amman.

It would seem that on the MARIE GROUP Website very little is said about EUROPEAN TOBACCO or the NASRI GROUP (as a matter of fact, the information provided on www.marie-group.com <<http://www.marie-group.com>> is exactly the same today except that they specified that ALTADIS is a subsidiary of the IMPERIAL TOBACCO GROUP):

Last year, on the Website of the NASRI GROUP, this tobacco company in Amman was reported as being a NASRI GROUP Company (NGC) and it is still the case today (although we have to admit that the website does not seem to be regularly updated).

Or (from www.ngcompanies.com/com/tobacco.html <<http://www.ngcompanies.com/com/tobacco.html>>):

EUROPEAN TOBACCO JORDAN is therefore promoted by both groups as being their own. And this is in itself quite a surprising situation.

Based on information gathered, we know that the shareholders of the Jordan company are/were respectively:

- TALAT ABDUL JAWAD MARIE
- Undisclosed shareholders 50% in the Marie Talat family
- RAMEZ NASRI (born on 26/02/1971) 50% through some offshore company

Therefore, there is at least one NASRI mentioned, RAMEZ NASRI who is the youngest brother of the famous NIZAR HANNA. RAMEZ NASRI is also known as being RAMEZ HANNA; he is supposed to be also in charge of the company EUROPEAN TOBACCO BAKU JSC in Azerbaijan.

European Tobacco Jordan Co Ltd

As mentioned at the beginning of this report, we had already undertaken several due diligences on the company EUROPEAN TOBACCO JORDAN CO LTD in the framework of broader studies on the NASRI GROUP of companies. We have gathered updated information on the company and we have realized that most of the company's parameters are the same than in September of last year. We have displayed what we found here below, mentioning the relevant changes.

General information and principals

The head address and contact details of the company EUROPEAN TOBACCO JORDAN CO LTD are still:

Hai Al Masanei (behind Mercedes Showroom)
Sahab Al Rajeeb Area
P.O. Box 800
Amman 11118
Jordan

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Tel: +962 64167301 and +962 64166200

Fax: +962 64167304

E-Mail: awartany67@yahoo.com

The company apparently owns its office premises, a 4,000 square meters production plant and storage facilities located at the heading address.

The company was created on 11 February 2001. It bears Companies Register number 6536 and National ID number 200012382.

The principals of the company are:

TALAT ABDUL JAWAD ALI MARIE, Chairman and General Manager

SAAD TALAT ABDUL JAWAD MARIE, Deputy General Manager

ADEL TALAT ABDUL JAWAD MARIE, Export Manager

AHMED ZADEH, Commercial Manager

ABDULRAHMAN DARWISH, Financial Manager

SAADI HAMED NASSER, Marketing Manager

The company employs approximately 110 people today compared to 150 last year.

Some financial figures

EUROPEAN TOBACCO JORDAN CO LTD is a limited liability company with an authorized capital of JD 2,000,000 of which 100% is paid-up.

According to our local sources (since private companies in Jordan are not required to publish or disclose balance sheets), the company sales turnover was:

JD 18,000,000 in 2007 (1 JOD = 0.996495 EUR)

JD 24,000,000 in 2008

and the projected figures for 2009 are: JD 26,000,000. So far, despite the apparent reduction of workers, the production seems to progress.

No complaints have been heard regarding payments from local suppliers or banks and it has been confirmed by people on site that the company was indeed still a member of the MARIE GROUP. This is interesting for those who believe that there would now be Chinese walls between the Nasri family and the Talat Marie family.

COFACE, a credit rating agency that we sometimes use, considers it is acceptable to deal with subject for MEDIUM amounts, their opinion on maximum credit being JD 250,000. The trade risk assessment is considered as normal.

The company's principal banker is the JORDAN KUWAIT BANK based in Amman.

Ownership

According to the documents available at the Jordan Companies Registry, EUROPEAN TOBACCO JORDAN CO LTD has the following shareholders:

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Names Value of Shares held

UNION INTER OCEAN LIMITED CO (United Kingdom) i.e. 50% JD 1,000,000
TALAT ABDUL JAWAD ALI MARIE (Jordanian national, National ID :
9331007175) JD 700,000
RAMZI TALAT ABDUL JAWAD MARIE (Jordanian national, National ID : 9661031443)
JD 100,000
ABDUL JAWAD TALAT MARIE (Jordanian national, National ID : 9581017962) JD
100,000
SAAD TALAT ABDUL JAWAD MARIE (Jordanian national, National ID : 9621925905)
JD 50,000
ADEL TALAT ABDUL JAWAD MARIE (Jordanian national, National ID : 9731038137) JD
50,000

Except for the company UNION INTER OCEAN LIMITED CO that belongs to the NASRI family, all the other shareholders are member of the MARIE family, more precisely, the father and his four sons.

It is interesting to note that last year, RAMEZ NASRI was directly named as being a shareholder of EUROPEAN TOBACCO JORDAN CO LTD but now it is via one of the companies of the NASRI GROUP. In the official documents of the company available at the Jordan's Companies Registry, it is nevertheless clearly mentioned that the company UNION INTER OCEAN LIMITED is represented by RAMEZ HANNA NASRI, Deputy Chairman of the Board.

What is also interesting is that no company "UNION INTEROCEAN" (as displayed on a website of the NASRI family) has been found as being registered under that name in the United Kingdom. So, the "nationality" of this Union Inter Ocean Limited Co is still a mystery to date!

Previous information on Union Interocean

In one of our previous reports on the NASRI family dated October 5, 2008, we noted:

In the brief Memo, we mentioned the excerpt from the NGC website dealing with UNION INTEROCEAN. Here it is again:

This "Union Interocean" is reported by the Nasri Group as being "headquartered in Romania"!

It looks like being a large company operating in 50 countries but when we entered "Union Interocean" on the most popular search engine on the Web, we got two occurrences, not a great result for the "big" company:

In fact, the two leads come from Nasri Group websites! This just means that there must be a problem with this company like with any piece of information posted by the Nasri brothers on their websites.

We have tried many combinations to identify a company with a corporate name like UNION INTEROCEAN registered in Romania. The National Trade Register Office located in Bucharest did its best to find something but no way.

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Maybe UNION INTEROCEAN is an offshore company registered in the British Virgin Islands or in Panama or something similar with an unregistered representative office in Romania! We looked at international databases generally locating offshore companies and we tried the British Virgin Islands and Panama but nothing popped up.

Therefore, until further notice, we have to conclude that there is NO Union Interocean Company doing international business as claimed by the Nasri people.

Affiliated companies and activities

According to local sources, EUROPEAN TOBACCO JORDAN CO LTD is at least affiliated with the following companies:

EUROPEAN TOBACCO INC, Papague 69, Voula 16673, Athens, Greece
EUROPEAN TOBACCO AZERBAIJAN, 1 Kondelen Street 21, Nizami district, Baku 370033, Azerbaijan
EUROPEAN TOBACCO TAJIKISTAN, Sughd Province District No. 27, Khojand City, Tajikistan
EUROPEAN TOBACCO A.S., Ismet Inonu Bulvari, Anadolu Hayat, Sigorta Ish. Kat 4 -404, 33100 Mersin, Turkey
MARI TRADING COMPANY, Amman

The subject company is involved in the trading as importers, manufacturers, wholesalers, distributors and exporters of cigarettes. It apparently produces the following brands: Gauloises, Gitanes and Brilliant.

What is interesting is that these brands are not advertised on the website of the NASRI people <http://www.europeantobacco.net/en/brand_portfolio.html> but the following are:

On the other hand, on the website of the MARIE family (<<http://www.marie-group.com/2009/etj/>>), the following brands are advertized:

It is most likely that one of the two websites is not updated and if it is not the case some clarifications may be needed, either by doing in depth investigations on site or by confronting the companies owning EUROPEAN TOBACCO JORDAN.

According to our local sources, the company covers 15 % of the Jordanian local market of cigarettes consumption. It imports from France but does no longer export, all sales being domestic. This last detail is different from the previous year since it did mention that the company was exporting to Iraq and neighboring countries. Whether or not this is true on the ground, we cannot say at this stage.

Miscellaneous

Naturally, some information about EUROPEAN TOBACCO JORDAN is also available via the website of the MARIE GROUP (see: www.marie-group.com/2009/etj/ <<http://www.marie-group.com/2009/etj/>>) but it actually provides very little information that we would not already know.

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The company is a member of the Amman Chamber of Industry (see: <<http://www.aci.org.jo>>). On this website, it presents RAMEZ NASRI as the Deputy Chairman of the company.

On the website of www.tobaccoreporter.com <<http://www.tobaccoreporter.com>>, EUROPEAN TOBACCO JORDAN is defined as a joint venture between TALAT MARIE & SONS CO and EUROPEAN TOBACCO CO.

The Barzani Clan (KDP) continues to reign on the north west of the Iraqi Kurdistan and imposes its laws. There are fragile signs of some political opposition raising but the moneys collected by the Clan from illicit traffics mainly in cigarettes continues to fuel the financing of a private "army" of Peshmerghas and there is so much money involved that it will not change overnight. The North of Iraq is well known as being a black hole for all kinds of traffics and it would seem that the most reputed cigarettes producers are in a way or another present in this region for selling through local traders cigarettes to Iran in large quantities.

The Marie Group

The Marie Group is in business with Imperial Tobaccoe.

A review of the names (and variations thereof) of members of the MARIE family including TALAT MARIE, AISHA BARJOUS, ABDUL JAWAD MARIE, SAAD MARIE, RAMZI MARIE, ADEL MARIE, NADIA MARIE, NAJWA MARIE, and NIDA'A MARIE, in a proprietary database. This database provides coverage on known money launderers, fraudsters, terrorists, narcotics traffickers, organized crime, shell banks, plus individuals and businesses from over a dozen other categories including Politically Exposed Persons (as well as their family members and potentially high-risk associates worldwide). This database also correlates every known sanction and embargo list from around the world (including lists of debarred and banned parties) such as FBI, OFAC, Bank of England, European Union, UN, OSFI, FATF and the Australian DFAT, etc., as well as national and international media. The searches were recently undertaken and provided no relevant results.

Based on the information we have collected so far via our investigations, it would seem to us that the MARIE GROUP would face serious difficulties to separate the activities of its "new" dedicated company EASTERN TOBACCO & CIGARETTES from its activities in EUROPEAN TOBACCO JORDAN unless it terminates its involvement with that company completely.

However, even if it does, it could not be a guarantee in practice. The MARIE family has been involved with EUROPEAN TOBACCO JORDAN and therefore with the NASRI family for almost ten years now, both families are composed of wealthy and influential businessmen in the region. It is hard to imagine that they will no longer be any contacts between the two clans especially when involved in the same extremely lucrative tobacco business. We have also seen across the media that they have had at least one other common (or close) interest in the past, in a construction project. Due to their respective position in the region, it is hard to believe that it is the only one.

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So to assess to what extent TALAT MARIE and sons will completely separate their tobacco activities from the NASRI family is quite a difficult task and we have seen no signs across our investigations that either one of these two families was going into that direction.

At this stage, we did not point out any special business between the Talat Marie & Sons Co (TMSG) and JTI in Jordan or Issa Audeh.

Eastern Tobacco & Cigarettes

The company EASTERN TOBACCO & CIGARETTES was established in Jordan on 12 February 2007 as a limited liability company. The Companies Register number of the subject company is 13706 and its national ID number is 200012876.

The subject company is located at the following address with the following contact details:

EASTERN TOBACCO & CIGARETTES

Hurriya Street
P.O. Box 800
Amman 11118
Jordan

Tel: (962 6) 420 5991 / 474 6453

Fax: (962 6) 420 5883

E-Mail: tmsc@nol.com.jo <<mailto:tmsc@nol.com.jo>>

The principals of the company are:

ABDUL JAWAD TALAT MARIE, Managing Director
GHASSAN ABU TAINA, Financial Manager

The Board of directors of the company is composed of the following individuals:

TALAT ABDUL JAWAD ALI MARIE, Chairman
ABDUL JAWAD TALAT MARIE, Vice-Chairman
SAAD TALAT ABDUL JAWAD MARIE, member

The total number of employees of the company and its affiliate, EASTERN TOBACCO EST., is 55. This last company is officially known under the name EASTERN TOMBAC & TOBACCO MANUFACTURING ESTABLISHMENT and registered with the Companies Control Department on 6 August 1992. A certain confusion remains at this stage of our researches concerning this company because the MARIE GROUP seems to be using different denomination for it. For example, on one of its products that one of our contacts bought on August 18 in Amman it is mentioned: EASTERN TOMBAC & TOBACCO EST referring to the website www.alsultan.com.jo <<http://www.alsultan.com.jo>> (see below).

On the referred website (www.alsultan.com.jo <<http://www.alsultan.com.jo>>), the company advertised is called EASTERN TOBACCO & MOLASSES CO instead. This company being elsewhere (see below) referred to as: EASTERN TOBACCO & CIGARETTES & MOLASSES CO.

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As we will see in more details later in the present report, the subject company EASTERN TOBACCO & CIGARETTES is part of the MARIE GROUP composed of several companies including (as advertised on the Group's website, see: www.marie-group.com <<http://www.marie-group.com>>):

EASTERN TOBACCO & CIGARETTES & MOLASSES CO
EUROPEAN TOBACCO CO / JORDAN
TALAT MARIE & SONS CO
INTERNATIONAL CORPORATION FOR MANUFACTURING VETERINARY MEDICINES
MARIE BROTHERS TRADING COMPANY

Activities

The Company will be involved in the manufacture of cigarettes. The factory is still under construction and is expected to be completed by the end of 2009.

According to local sources, the company is currently engaged in the import of tobacco manufacturing machinery and spare parts. It does not export.

Shareholders

The company EASTERN TOBACCO & CIGARETTES has the following shareholders sharing altogether the subscribed capital of JD 1,000,000.

The company ABDUL JAWAD MARIE AND PARTNERS CO put aside, all the shareholders listed are members of the MARIE family; the father, his wife and their seven children (four boys and three girls). More details about the family will be provided in the dedicated chapter later in the report.

Names Value of Shares held

ABDUL JAWAD TALAT MARIE (Jordanian national, National ID : 9581017962)	JD 190,000
SAAD TALAT ABDUL JAWAD MARIE (Jordanian national, National ID : 9621925905)	JD 190,000
RAMZI TALAT ABDUL JAWAD MARIE (Jordanian national, National ID : 9661031443)	JD 190,000
ADEL TALAT ABDUL JAWAD MARIE (Jordanian national, National ID : 9731038137)	JD 190,000
AISHA HAMAD HASAN BURJOOS (Jordanian national, National ID : 9362007989)	JD 85,000
ABDUL JAWAD MARIE AND PARTNERS CO	JD 70,000
TALAT ABDUL JAWAD ALI MARIE (Jordanian national, National ID : 9331007175)	JD 40,000
NADIA TALAT ABDUL JAWAD MARIE (Jordanian national, National ID : 9562014233)	JD 15,000
NAJWA TALAT ABDUL JAWAD MARIE (Jordanian national, National ID : 9601201941)	JD 15,000
NIDA'A TALAT ABDUL JAWAD MARIE (Jordanian national, National ID : 9692032453)	JD 15,000

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Financial information

The authorized capital of EASTERN TOBACCO & CIGARETTES is JD 1,000,000 which is more or less the same in Euros (1 JOD = 0.996495 EUR) and the paid-up capital is currently JD 500,000.

According to local sources, the company, established in February 2007, has not yet started genuine commercial operations.

As the company has not yet started production, relevant financial information is not available and no complaints have been heard regarding payments from local suppliers or banks.

We have asked the advises of COFACE, a credit rating agency, and they told us that as the company has not yet commenced commercial operations and has no financial or payment track record, it is highly recommended to deal on fully secured terms with them.

The principal banker of the company today is the JORDAN KUWAIT BANK based in Amman.

Facilities

The Company has a factory with integrated offices and storage facilities located at the heading address, on Hurriya Street, which is currently under construction. The cigarette-manufacturing factory is expected to be completed by the end of 2009.

Hurriya Street is an extremely long street of Amman (see picture below).

One of our contacts in Jordan has managed to identify the head offices of the company TALAT MARIE & SONS CO (they had a picture of their offices on their website, more about that will follow), located on that street also and maybe at the same address. While on site, he did not see any signs of the construction of a cigarettes factory, which may well have been somewhere else on that street! Further on site investigations will be needed to locate the factory if the Client finds it necessary to do so.

Others

In the course of our investigations, we found out that the company EASTERN TOBACCO & CIGARETTES CO registered in Amman, Jordan, is the owner of the trademark "AL-AFANDI". It has filed its trademark application with the United States Patent and Trademark Office on 5 July 2007.

The trademark concerns tobacco, namely: cigars, cigarettes and loose tobacco. All the documents related to the company's application are available at the following address:
<<http://tmportal.uspto.gov/external/portal/tow?SRCH=Y&isSubmitted=true&details=&SELECT=US+Serial+No&TEXT=77222638>>

We are not aware of any other trademark that the company would have filed with the United States Patent and Trademark Office.

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We have also found out that a company named THE EASTERN TOBACCO & CIGARETTES CO owned a trademark in Romania (class 34 under the Nice Classification, which covers everything that has to do with tobacco). We have checked with the Romanian Companies Registry and there are no companies under that name registered in Romania. We have decided to make a quick search in the Madrid Express database for other eventual international trademark registrations under that company name but our search did not give any positive result. This last search was based on the names "EASTERN TOBACCO" or "TALAT MARIE" as trademarks' owner.

The Marie Group

Generalities

As mentioned on the Group's website (www.marie-group.com <<http://www.marie-group.com>>), the MARIE GROUP or T.M.S.G. (TALAT MARIE & SONS GROUP) is composed of several companies including:

MARIE BROTHERS TRADING COMPANY
INTERNATIONAL CORPORATION FOR MANUFACTURING VETERINARY MEDICINES
EUROPEAN TOBACCO / JORDAN
EASTERN TOBACCO & MOLASSES CO
TALAT MARIE & SONS CO

This group of companies belongs to the MARIE family and all of it was started by the patriarch of the family TALAT ABDUL JAWAD ALI MARIE. We can find the following historical information about the Group on the internet (www.marie-group.com/history.html <<http://www.marie-group.com/history.html>>):

TALAT MARIE was born in Palestine in 1933 at Alramlah. In 1948, he & his family were forced to immigrate from Palestine to Jordan when he was only 16 years of age. TALAT MARIE studied basic accounting in one of the institutes in Amman for a short period and during that time he started his Business Stages Development.

In 1950, he worked as an accountant for about one year but his desire to have his own business and his industrialized attitude and his ambition guided him to establish a small company, with some of his friends, specialized in cigarettes distribution, and some food items. This company continued growing up to the limit of having in 1980 40 % of cigarettes share distributions in the domestic Jordan market.

During the beginning of the sixties of last century, he established a small factory to produce Tombac & snuff. After a couple of years, TALAT MARIE added some other Tobacco products such as Molasses, Roll Your Own Tobacco & Water Pipe tobacco to his factory under the name of EASTERN TOMBAC & TOBACCO.

At the same time TALAT MARIE, invested his good relations with the tobacco companies and started importing & exporting the Tobacco Raw Materials beside some other items building a very solid relations with his tobacco colleague's producers all over the world.

In the Seventies of the last century, he decided to go to some other line of business and he launched a company with his younger brother for watches and accessories. This company started growing and now it is one of the biggest companies in the field of watch

imports in Jordan. The company gained the trust of renowned brands over the years and became the sole distributor of many trademarks of Swiss watches such as RADO, TISSOT and others. This company is called MARIE BROTHERS TRADING COMPANY. This company is still expanding in Jordan and in the markets of surrounding countries.

In addition to that, during the end of the Eighties, he established, with his son in law, a factory for veterinary medicines and treatments. It was a joint venture with his son in law Dr. HASSAN ALGHRABLI called INTERNATIONAL CORPORATION FOR MANUFACTURING VETERINARY MEDICINES.

In 1992, TALAT MARIE and his sons decided to enter into the challenging world of tobacco industrialization business. Hence, he contacted some of his well-known business friends and he established the INTERNATIONAL COMPANY FOR CIGARETTES & TOBACCO with the best international specifications & standards. This company is still doing fine in the market. TALAT MARIE sold his shares in this company later on.

In 2001, Mr. TALAT MARIE and his sons launched their own private tobacco company with another investor (in fact the Nasri family) and called it EUROPEAN TOBACCO COMPANY JORDAN specialized in cigarettes production. The company made an agreement with ALTADIS to produce its brands for the Jordanian local market. The produced brands succeeded in competing with most of the international brands.

The website of the Group changed a bit from the way it looked last year and some of the previous information can no longer be accessed the same way. For example, last year www.marie-group.com <<http://www.marie-group.com>> displayed the following picture of its principals:

We have decided to provide hereafter a bit of information on each company of the MARIE GROUP, at least when this information was available on the Group's website (www.marie-group.com <<http://www.marie-group.com>>). Since we have displayed more information on EUROPEAN TOBACCO JORDAN CO LTD than for the other companies, we have separated it in another chapter (see further down below).

Marie Brothers Trading Company

The company is often referred to as "MARI TRADING" (see website on www.maritrading.com <<http://www.maritrading.com>>) or "TALAT MARIE & BROTHERS" (as per information provided by the Jordan's Companies Registry for example). In all cases, based on the information available on the company's website, it is in 1962 that the two brothers, AWNI and TALAT established this company specialized in selling Swiss watches parts. After a while, they were able to expand and be the first and only agent in the country for RADO watches. Today they are also the sole agent for TISSOT watches.

In 2000, the company founder Mr. AWNI MARI' died and a new board was established. The principals of the company today are:

Board Director:	MR. TALAT MARI'
Vice President:	MOHAMMAD MARI'
General Manager:	SAA'D MARI'
Marketing Manager:	MAZHAR MARI'

According to its website, the company has five locations or branches including the main one on King Hussein St. in Down Town, Amman.

Eastern Tobacco & Molasses Co

The MARIE GROUP presents the company EASTERN TOBACCO & MOLASSES CO via the website www.alsultan.com.jo <<http://www.alsultan.com.jo>>. As advertised on the website, the company aims "to manufacture the best Molasses qualities utilizing the best packing methods at competitive prices."

As explained on the website, AL-SULTAN Molasses was first produced in Jordan in 1984. It became the first brand of Molasses produced outside Egypt, considered as being the founder of Molasses. The idea was born with TALAT MARIE who visited Egypt regularly to manage the company's business relations with various Molasses producers and with the EASTERN COMPANY, the cigarettes franchiser in Egypt.

In 1989, the company started to produce a new blend of molasses that contained a blond French tobacco mixed with various natural flavors like apple and strawberry. The Egyptian Molasses flavor was indeed too strong for the increasing number of Jordanians smoking Molasses. EASTERN TOBACCO & MOLASSES CO. apparently became the first company to introduce this type of flavored Molasses to the world.

The company also mentions on its website that: "It used its strong relationships with the French multinational company (ALTADIS), which produces some of its prime brands such as GAULOISES, GITANES and BRILLIANT in a dedicated cigarette factory 50% owned and managed by MARIE GROUP."

With a strong presence on their local market, the company apparently exports also to many countries including Germany, U.S.A, Poland, Ukraine, Canada, Kuwait, Iran, Libya, Iraq, Palestine, U.K, Czech Republic, Hungary, Spain, Portugal, Latvia, Slovakia, Austria, Holland, Philippine, South Africa and Belgian.

This company is most likely registered under the name of EASTERN TOBACCO & TOBACCO MANUFACTURING ESTABLISHMENT although the fact that the company type is an "establishment" and not a "corporation" brings some confusion.

Talat Marie & Sons Co

General information about the company TALAT MARIE & SONS CO is available on www.marie-group.com/tmsc.html <<http://www.marie-group.com/tmsc.html>>. On the website, below a picture of the building occupied by the company (which is actually exactly like that in reality since one of our contacts drove by just to have a glimpse at it, see picture on the right), we learn that the roots of the company goes back to the Fifties (1951). This company is 100% owned by the MARIE family and more precisely by the patriarch and his four sons. As explained on the website, the company is subdivided into the following five independent field departments:

This department is responsible for distributing the cigarettes locally made by the international and Jordanian manufacturers. It covers all Amman area and its surroundings.

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It represents 40 % of the country cigarettes' consumption. This department owns an important fleet of vans for that sole purpose.

The imported cigarettes distribution department is represented in Jordan by TALAT MARIE & SONS CO. This department covers all the kingdom areas. The company distributes in the country products from IMPERIAL TOBACCO, especially the brands DAVIDOFF. On top of that, this department is doing all the promotional and merchandising activities for the brands of imported cigarettes. It has its own fleet of vans also.

This department is in charge of the distribution all the tobacco brands and raw materials with the exception of cigarettes. It includes cigars, roll your own tobacco, pipe tobacco, lighters, cigarette papers, cigarette tubes, cigarette rolling machines, filters and all tobacco related accessories. This department covers 70 % of the kingdom consumption for all the mentioned items.

The company represents well-known international companies like IMPERIAL TOBACCO. They distribute AMPHORA tobacco, DRUM tobacco and CLUB cigarettes paper. They represent the company ALTADIS, the largest cigar producer in the world. Some of its major products are FLEUR DE SAVANE, PLEIADES and LONG CHAMP. They also represent the Spanish company TABACELERA with its product VEGAFINA and ALTADIS USA with its products HAV-A-TAMPA, BACKWOODS and PHILLIES. The company distributes ALTADIS USA brands to the Free Zones and Airports in Jordan.

It also represents the second biggest company in the world for the Cigar Business, which is Swedish company MATCH with many branches across the globe. The most important branch is Swedish MATCH NORTH AMERICA of which they apparently distribute all of its products brands such as WHITE OWL, ROBT BURNS, TIPARILLO, GARCIA VEGA and some others. They also distribute the products of the branches of Swedish MATCH NORTH EUROPE, its most important products being the cigar and tobacco BORKUM RIF. The same goes with SWEDISCH MATCH CENTRAL EUROPE and all its brands including CRICKET LIGHTERS, LAPAZE CIGAR and others. TALAT MARIE & SONS Company distributes all kind of charcoal, matches and other items from SWIDISH MATCH company.

The Jordan company also represents many companies involved in other fields of business such as REPUBLIC TECHNOLOGIES company in its product ZIG ZAG cigarettes paper, cigarettes tubes, cigarettes filters, cigarettes roller machines, and many other tobacco accessories. The company represents German companies specialized in cigar manufacturing like ARNOLD ANDRIE as well.

This department distributes Water Pipes/Argeelahs and its accessories. This kind of smoking represents the second consumption of tobacco after cigarettes, internationally and in Jordan. The company imports all the Argeelah parts and assembles them or imports them assembled already. This department is engaged also in the design of their own brands of Argeelahs to be manufactured outside and distributed locally. Eighty percent of the business of this department is exported outside all over the world. This department covers 70 % of the local market consumptions.

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The fifth department is the "Logistics department", which supports all the previous four. In itself, it has many divisions such as, purchasing, clearing, designing, shipping, maintenance, traffic, security & safety, etc.

According to the information provided on the company's website (www.marie-group.com/tmsc.html <<http://www.marie-group.com/tmsc.html>>), an administrative and financial department serves all of these five departments.

This company seems to play a crucial role in the Group but it is not presented very clearly and it is hard to say at this point whether or not each department could be a separated companies or not.

The Marie family

The MARIE family, of Palestinian origin, is well known in the trade and industry sectors in and outside Jordan. The activities of the family extend in various domains, tobacco being the most important, but also in watches, veterinary drugs, import and export.

The TALAT MARIE & SONS GROUP (TMSG) is composed of five major companies including EUROPEAN TOBACCO JORDAN but the members of the family are involved in other companies as well in Jordan as we will see later in the report, in the chapter dedicated to that topic.

In order to have a clearer image of the MARIE family and its members, we have decided to recall that it is composed of the following individuals:

TALAT ABDUL JAWAD ALI MARIE, father and patriarch of the family
AISHA HAMAD HASAN BARJOUS, mother (wife of the above)

ABDUL JAWAD TALAT ABDUL JAWAD MARIE, son
SAAD TALAT ABDUL JAWAD MARIE, son
RAMZI TALAT ABDUL JAWAD MARIE, son
ADEL TALAT ABDUL JAWAD MARIE, son

NADIA TALAT ABDUL JAWAD MARIE, daughter
NAJWA TALAT ABDUL JAWAD MARIE, daughter
NIDA'A TALAT ABDUL JAWAD MARIE, daughter

The picture below shows TALAT MARIE and his four sons, from right to left: SAAD, ADEL, ABDUL JAWAD and RAMZI.

Mandates of the Marie family in Jordan

Based on several sources including the Jordan Companies Registry (Companies Control Department), we have tried to identify all the Jordanian companies in which one or more member of the MARIE family has a mandate. The goal behind this exercise was to try to find out if we could identify other companies in which both the NASRI and MARIE families would have an interest.

The searches in Arabic with local sources being what they are, we cannot guarantee that the list presented hereafter is exhaustive although it shows all the companies we have ever come across with, in the framework of the present mission and more.

	Companies (day/month/year)	Company number with the CCD Main activities		Registration date	
1	Eastern Tobacco & Cigarettes	13706	12.02.2007	1-Molasses 2-Tobacco 3-Import & Export	
2	European Tobacco Jordan	6536	11.02.2001	1-Tobacco 2-Import & Export	
3	Tal'at Abdul Jawad Mar'I & Sons	955	03.11.1965	1-Tobacco 2-Import & Export 3-Supplies	
4	Tal'at Mar'I & Brothers	12862	21.06.1983	1-Electrics 2-Watches 3-Perfumes	
5	Ramla Company For Trade	88586	15.03.2001	1-Tobacco 2-Import & Export	
6	International Bitaqat	404	09.05.2006	1-Construction 2-credit cards	
7	Masafat For Specialized Transport	391	06.03.2006	1-Transport 2-Import & Export	
8	Eastern Tombac & Tobacco Manufacturing Establishment			30431 06.08.1992	1-Tobacco
9	International Corporation For Manufacturing Veterinary Medicines			21166	1-Veterinary Medicines
			12.01.1989		
10	Al-Ufq For Tobacco & Cigarettes Distribution	93612			1-Tobacco
11	"We are the children" kindergarten	Not found in CCD			
12	"We are the children" nursery	Not found in CCD			
13	Hassan Gharabli & Associates	40444	27.06.1995	1-Animal Wealth needs 2-Import & Export	

The following table represents these 13 same companies but with mention of the registered shareholders and principals this time.

	Companies	Principals	Functions
1	EASTERN TOBACCO & CIGARETTES	Talat Abdul Jawad Ali Marie	-Partner - Chairman, Board of directors
		Aisha Hamad Hasan Barjous	Partner
		Abdul Jawad Talat Abdul Jawad Marie	-Partner -Deputy chairman, Board of directors
		Saad Talat Abdul Jawad Marie	-Partner -Member of board
		Ramzi Talat Abdul Jawad Marie	Partner
		Adel Talat Abdul Jawad Marie	Partner
		Nadia Talat Abdul Jawad Marie	Partner
		Najwa Talat Abdul Jawad Marie	Partner
		Nida'a Talat Abdul Jawad Marie	Partner
		Abdul Jawad Marie & Associates Company	Partner
2	EUROPEAN TOBACCO JORDAN	Union Inter Ocean Limited Company	Represente par Ramez Hanna Nasri (Deputy chairman, Board of directors) Partner

- Talat Abdul Jawad Ali Marie -Partner -Chairman, Board of directors -
Director General
Ramzi Talat Abdul Jawad Marie Partner
Abdul Jawad Tal'at Abdul Jawad Marie Partner
Saad Talat Abdul Jawad Marie -Partner -Deputy director general
Adel Tal'at Abdul Jawad Marie Partner
- 3 TALAT ABDUL JAWAD MARIE & SONS Talat Abdul Jawad Ali Marie
Partner
Abdul Jawad Tal'at Abdul Jawad Marie Partner
Saad Tal'at Abdul Jawad Marie Partner
Ramzi Tal'at Abdul Jawad Marie Partner
Adel Tal'at Abdul Jawad Marie Partner
- 4 TALAT MARIE & BROTHERS Talat Abdul Jawad Ali Marie Board Director
Mohammad Marie Vice President
Sa'ad Marie General Manager
Mazhar Marie Marketing Manager
- 5 Ramla Company For Trade Talat Abdul Jawad Ali Marie Partner
Abdul Jawad Talat Abdul Jawad Marie Partner
Saad Talat Abdul Jawad Marie Partner
Ramzi Talat Abdul Jawad Marie Partner
Adel Talat Abdul Jawad Marie Partner
- 6 International Bitaqat Talat Abdul Jawad Marie & Sons + Many Others
Partner
- 7 Masafat For Specialized Transport Talat Abdul Jawad Marie & Sons + Many
Others Partner
- 8 EASTERN TOMBAC & TOBACCO MANUFACTURING ESTABLISHMENT
Saad Talat Abdul Jawad Marie Partner
Aisha Hamad Hasan Barjous (Aisha T. Mari) Partner
Ramzi Talat Abdul Jawad Marie Partner
Najwa Talat Abdul Jawad Marie Partner
Nadia Talat Abdul Jawad Marie Partner
Nidaa Ta'at Abdul Jawad Marie Partner
Abdul Jawad Talat Abdul Jawad Marie Partner
Adel Talat Abdul Jawad Marie Partner
- 9 INTERNATIONAL CORPORATION FOR MANUFACTURING VETERINARY
MEDICINES Talat Abdul Jawad Ali Marie Partner
Hassan Joda Al-Gharabli Partner
Aisha Ahamad Barjous Partner
Najwa Talat Marie Partner
Abdul Jawad Talat Abdul Jawad Marie Partner
- 10 Al-Ufq For Tobacco & Cigarettes Distribution Saad Talat Abdul Jawad Marie ? ?

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11	"We are the children" kindergarten Owner	Nadia Talat Abdul Jawad Marie Nida'a Talat Abdul Jawad Marie Najwa Talat Abdul Jawad Marie	Owner Owner Owner
12	"We are the children" nursery	Nadia Talat Abdul Jawad Marie	Owner
13	Hassan Gharabli & Associates Najwa Talat Abdul Jawad Marie	Hassan Joda Hassaneyn Al-Gharabli Partner	Partner

The six companies in capital letters (companies 1, 2, 3, 4, 8 and 9) are the five major companies of the TALAT MARIE & SONS GROUP plus the recently created EASTERN TOBACCO & CIGARETTES (company 1).

Ties with the Nasri family

Press review

As explained in our chapter dedicated to the methodology used to obtain the information gathered in the present report, we have consulted many sources on the internet in English and in Arabic focusing on the tobacco industry and of course, on Jordan. Some of the Jordanian newspapers and magazines' archives we have consulted are Al-Rai, Addustour, Al-Ghad, Al-Arab Al-Yawm, Assabeel, Jordan News, Al-Bawaba, Asharq Al-Awsat... We have also consulted some Iraqi and Kurdish newspapers and websites since the NASRI family has its origins there and is doing business in the region.

During our review of the press, we were specifically searching for anything that could help us determine the nature of the relationship between TALAT MARIE (and family) and RAMEZ NASRI (or his brother NIZAR). Of course, we found mentions of their main collaboration in EUROPEAN TOBACCO JORDAN but we have all been aware of that for a long time now.

Besides that collaboration, we could actually found little evidence at this point that the two subjects could be partners in other ventures. For example, we found an interesting article dated 12 September 2007 published in the Iraqi newspaper "New Sabah". The article talks about the inauguration of the Nishtiman commercial complex in the city of Erbil (North of Iraq) by the governor of the city. The article adds that two people have been interviewed by journalists on that occasion, the two persons being TALAT MARIE and NIZAR HANNA NASRI. They have both been involved in construction works in relation with the project but the article does not say much more. They may have worked on it separately but it nevertheless stresses the fact that they have (had) common interests other than the Jordan tobacco factory.

Perspectives

Based on all of the above, we know the MARIE family has been working for some time with the NASRI GROUP via RAMEZ NASRI and their collaboration in the company EUROPEAN TOBACCO JORDAN. This, of course, is well known to the tobacco industry and we know that the question is to what extent the new entity EASTERN TOBACCO & CIGARETTES will be really separated from the other businesses.

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We can look at it from three different perspectives: (1) from the official documents of the two companies, (2) from on site investigations and (3) from the media and/or by looking at the Group's communications.

On paper both companies are managed by the same group of individuals, namely, for EUROPEAN TOBACCO JORDAN CO LTD:

TALAT ABDUL JAWAD ALI MARIE, Chairman and General Manager
ABDUL JAWAD TALAT ABDUL JAWAD MARIE, General Manager (?)
SAAD TALAT ABDUL JAWAD MARIE, Deputy General Manager

And for EASTERN TOBACCO & CIGARETTES:

TALAT ABDUL JAWAD ALI MARIE, Chairman
ABDUL JAWAD TALAT MARIE, Vice-Chairman and Managing director
SAAD TALAT ABDUL JAWAD MARIE, member

As far as the ownership of these two companies goes, we have seen already that, UNION INTRA OCEAN LIMITED CO aside, both companies are in the hands of the MARIE family. We can summarize it like that:

So, if the collaboration between both families persists in EUROPEAN TOBACCO JORDAN, and we found no evidence during our investigations that it has stopped, it will be difficult to separate both businesses at least from a decision making point of view.

As already mentioned in this report, we have sent someone on site on Hurriya Street in Amman to confirm the presence of the company TALAT MARIE & SONS CO (see picture on the left from the website of the Group). Apparently, the picture shows the building as it is in reality although minor works were being done to the building as he passed by on the 18th of August. On the other hand, he did not see a warehouse or a factory next to it which means the new premises that the company EASTERN TOBACCO & CIGARETTES are building must be located elsewhere. All this to say that it would take a lot more on the ground investigations to confirm the actual localizations of the different activities of both companies (EASTERN TOBACCO & CIGARETTES and EUROPEAN TOBACCO JORDAN), their day-to-day offices, their warehouses, etc. This would be the best way to assess whether or not any physical separation of activities is reasonably foreseeable or if it is going to be a problem.

As mentioned in the first chapter of the present report recalling our previous work on EUROPEAN TOBACCO JORDAN, the company EUROPEAN TOBACCO JORDAN shows the same picture of its facilities than a year ago.

As far as the two Groups' communication goes, it does not seem to be very coherent. Both groups advertise it separately and make it look like their own and there seems to be some confusion with the produced brands. We found the following "Contact us" page on the website of the MARIE GROUP:

It is interesting to note that all five companies are using the same PO Box (800 Amman, 11118 Jordan). The fax number is the same for EUROPEAN TOBACCO JORDAN than for

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EASTERN TOBACCO & CIGARETTES & MOLASSES. EUROPEAN TOBACCO's email address is not on the server of "marie-group.com".

The Audeh Group

Objectives

In order to compile the information presented in this report, we have searched numerous sources on the internet in English and Arabic. These sources encompass newspapers, blogs, archives, databases (public and with registration only) and all sorts of websites including the ones related to the companies cited across the report. We have also contacted COFACE, a European credit rating agency and the commercial registries of Cyprus, Switzerland and the United Kingdom.

We have also conducted researches in the names (and variations thereof) of ISSA AUDEH and his two sons (BASSAM and SAAD) in a proprietary database which provides coverage on known money launderers, fraudsters, terrorists, narcotics traffickers, organized crime, shell banks, plus individuals and businesses from over a dozen other categories including Politically Exposed Persons (as well as their family members and potentially high-risk associates worldwide). This database also correlates every known sanction and embargo list from around the world (including lists of debarred and banned parties) such as FBI, OFAC, Bank of England, European Union, UN, OSFI, FATF and the Australian DFAT, etc., as well as national and international media.

No results relevant to the main objectives of the present mission came out of these searches on the date of the report.

The "key" Audeh Group at a glance:

The Audeh Group of Companies

Overview of the Group and Generalities

As mentioned on the Group's website (www.audeh-group.com <<http://www.audeh-group.com>>) as well as in our correspondence with the Client, the AUDEH GROUP consists of the companies listed below. Since they are presented by country of localization on the website of the Group, we have decided to keep the same presentation here:

Cyprus: IBCS TRADING AND DISTRIBUTION COMPANY LIMITED

The AUDEH GROUP's flagship company and headquarter. IBCS rapidly developed sales, distribution and logistics functions for JT INTERNATIONAL. The company's given address on the Group's website is the following:

Omiros & Araouzos Tower, 7th Floor
Olympion Street 3035
P.O. Box 53049 CY 3300 Limassol

Tel: +357 25 837000
Fax: +357 25 360018

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Jordan: JT INTERNATIONAL (JORDAN) LTD

In 2001, the AUDEH GROUP entered into a joint venture with JTI to form JT INTERNATIONAL (JORDAN) LTD, which manufactures and distributes cigarettes.

Lebanon: TRUTRADE AND CONSULTANCY LIMITED

This company was established to organize a sales promotion unit supporting JTI brands in Beirut, whose sales are made through the Lebanese Regie.

Pakistan: PAK OASIS

In 2005, the AUDEH GROUP formed with its Pakistani partner, PAK OASIS in order to provide water treatment solutions in Pakistan.

Palestine: AUDEH IMPORTING AND DISTRIBUTION CO. LTD

This company was established to handle JTI brands in the Gaza Strip and West Bank markets.

Syria: UNITED TRADING AND DISTRIBUTION COMPANY

The AUDEH GROUP established this company to exclusively handle the sales and promotion of the following brands: GALLOP, WESTPOINT, SONAI and KTK KLIMATECHNIC.

The Company operates from Aleppo and has branch offices in Damascus and Lattakia, with 28 network outlets all over Syria.

Switzerland: VISION ACTIVE SA

In 2008, VISION ACTIVE SA was established to handle the distribution, sales and promotion of the brand "camel active" in Switzerland.

United Arab Emirates: IBCS TRADING AND DISTRIBUTION(branch)

In 1992, IBCS TRADING AND DISTRIBUTION was established in the Sharjah Emirate to conduct business development activities for JTI in the GCC countries (Bahrain, Kuwait, Oman, Qatar, UAE). In 2000, this responsibility was further extended to cover the sales and development programs of JTI at the region's airports, seaports and border shops.

Ukraine: CONSUMER TRADING COMPANY LTD and PHOENICIA (UA)

In 1996, CONSUMER TRADING COMPANY LTD (CTC) was established in Kiev to handle the distribution, sales and promotion of the AUDEH GROUP's leading FMCG brands.

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In 2003, the AUDEH GROUP, jointly with the PHOENICIA GROUP in Beirut formed PHOENICIA (UA), responsible for the exclusive import, sales, distribution and promotion of all Habanos S.A. cigar brands in Ukraine.

As we will see in the course of the present report, this list is not exhaustive and other companies are of course part of the AUDEH GROUP. These are just the companies presented on the website of the Group.

For example, in addition to the companies listed above, the following companies of the Group are registered in Cyprus alone:

AUDEH TRADING & CONSULTANCY SERVICES LIMITED

I.B.C.S. DEVELOPMENT CO LIMITED

TRUTRADE & CONSULTANCY SERVICES LIMITED

TRUTRADE HOLDING LIMITED

PHOENICIA T.A.A. (CYPRUS) LIMITED

FOURPOINT TRADE LIMITED

In the framework of the present mission, we didn't try to collect information on every companies involved in the AUDEH GROUP but we focused instead on the ones that could potentially give us clues about the AUDEH - JTI relation and the potential recent involvement of the AUDEH GROUP in any controversial commercial practices.

Activities of the Group

As described on its website, the AUDEH GROUP is involved in the following activities:

Tobacco manufacturing with JT INTERNATIONAL (JORDAN) LTD. According to the website of the Group, the manufacturing and distribution company incorporates state-of-the-art manufacturing equipment with a yearly capacity of 2.8 billion cigarettes.

Tobacco distribution (domestic and duty free for JTI brands like Camel, Winston, Berkeley, More, Sobranie, Aspen, Gold Coast, Magna, Mild Seven, Monte Carlo, Salem, Winchester, Old Holborn, Amber Leaf, Condor and Hamlet Cigars)

Apparel distribution (domestic and duty free including the Camel Active and Relakz brands)

FMCG distribution (domestic and duty free including Moncafe, CofiCofi and Del Monte)

Water Treatment Solutions

Home appliances (hair conditioning units including Gallop, KTK, Sonai and WestPoint)

In addition to the above activities, the AUDEH GROUP jointly with PHOENICIA GROUP in Beirut holds an exclusive agreement for import, distribution, sales and promotion of all

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HABANOS S.A. cigar brands in Ukraine and is therefore doing business with ALTADIS/IMPERIAL TOBACCO as well. These brands include Cohiba, Montecristo, Hoyo de Monterrey, Quintero, Partagas, Romeo y Julieta, Punch, Bolivar, H. Upmann, Fonseca, Vegas Robaina, Josi L. Piedra, San Cristóbal de la Habana, Trinidad and Cuaba.

As it is well known to the Client, ISSA AUDEH and his companies have been working for a long time together with JTI in the Middle East, and before them with RJ REYNOLDS, acquired by JTI in 1999.

I.B.C.S. Trading & Distribution Co Limited

This company appears to be one of the key companies of the Group.
Generalities

IBCS TRADING AND DISTRIBUTION CO LTD was incorporated on 16 July 1992 and it has the Company Registry number 50251.

The address and contact details of the company are:

Olympiou Str,
Omiros & Araouzos Tower
5th Floor
Limassol-Cyprus
P.O.Box : 53049

Tel: 25341402 / 25837000

Fax: 25360018

The main activity of the company is general trading and especially the trading of cigarettes. The company employs approximately 20 people.

According to our contacts on site, this is an international company and nothing is known locally for or against them. They operate an office at the address given trading mainly with cigarettes.

The principal shareholder, TRUTRADE HOLDINGS LTD, is also an international company registered in Cyprus on 16 August 1994 under registration No. 64360.

In the same premises, the following companies are housed:

AUDEH TRADING & CONSULTANCY SERVICES LTD established on 22 November 1991 under registration No. 46196

TRUTRADE & CONSULTANCY SERVICES LTD established on 7 March 1991 under registration NO. 43180.

According to our local sources, the premises of the company that they share with associates are owned, new, large and of an approximate superficies of 450sq.mtrs.

Principals and shareholders

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According to the information obtained from the Cyprus Trade Register, the principals of the company IBCS TRADING AND DISTRIBUTION CO LTD are as follow:

ALKIS ARAKAPIOTIS (Cypriot with ID N°094042, born on 8 July 1945 and residing on 36 Nafpliou Str, 3rd Floor Flat 31, 3025 Limassol, Cyprus): director

IANTHI KAMINARA (Cypriot with ID N°565804, born on 9 February 1960 and residing on 3 Athanasiou Diakou Str, Limassol, Cyprus): secretary and director

According to the same source of information, the shareholders of the company are:

IANTHI KAMINARA (Cypriot with ID N°565804) with 1 share

TRUTRADE HOLDING LTD (with address on 67 Spyrou Araouzou Str, Karmazi House, 2nd Floor Office 202-203, Limassol, Cyprus) with 9,999 shares

Another local source has told us that the following individual was also a director of the company but the Trade Registry has not confirmed this. The details obtained about that person are as follow:

PANAYIOTIS KLEANTHOUS (Cypriot with ID N°469201, born on 25 March 1952 and residing on 8 Nicou Katalanou Street, Ayios Nicolaos, Limassol, Cyprus): director

The authorized, issued and paid-in capital is represented by 10,000 shares of EUR 1.71 of value each. This capital should therefore amount 17,100 EUR.

The financial accounts of the company have not been filed with the Cyprus Registrar. The known bankers of the company IBCS TRADING AND DISTRIBUTION CO LTD are:

Bank of Cyprus (Main Branch Limassol)
Pireaus Bank (Main Branch Limassol)
Jordan National Bank IBU
Marfin Popular Bank Ltd
Bank Nationale De Paris Intercontinentale CIBU

Audeh Trading & Consultancy Services (Cyprus)

This is the second very important company of the AUDEH GROUP.

Generalities

The address of this company is the same than the one of IBCS TRADING AND DISTRIBUTION COMPANY LIMITED, which is:

AUDEH TRADING & CONSULTANCY SERVICES LIMITED
Omiros & Araouzos Tower, 7th Floor
Olympion Street
3035 Limassol CYPRUS

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The contact details are the same also:

53049 - 3300 Limassol
Tel: +357-25837000
Fax: +357-25360018

AUDEH TRADING & CONSULTANCY SERVICES LIMITED registered in Nicosia under number C46196 on the 22 November 1991.

Ownership and management

The company belongs to the following entities:

TRUTRADE HOLDING LIMITED (C64360) with 99.99% of the capital

Mr. PANAYIOTIS KLEANTHOUS with 0.01%

The directors of the company are:

Mr. ANDREAS XENOFONTOS of Cypriot nationality, director

Ms. IANTHI KAMINARA, director and secretary

Financials

The registered capital (of which 100% is paid-up) is EUR 17,100.00 since 1 January 2008. The capital is represented by 10,000 ordinary shares of EUR 1.71 of value each.

The latest financial details were not available at the file of the company at the Official Companies Registry House; as the law provides for all companies. No other financial details were available from other public sources either.

Other companies in Cyprus

Trutrade Holding Limited

The company TRUTRADE HOLDING LIMITED (C 64360) plays a very important role in the structure of the AUDEH GROUP since it is the principal shareholder of the flagship company IBCS TRADING AND DISTRIBUTION CO LTD with 99.99% of the shares.

It is also the principal shareholder of the company AUDEH TRADING & CONSULTANCY SERVICES LIMITED with 99.99% of the shares.

The company TRUTRADE HOLDING LIMITED was registered in Cyprus on 16 August 1994.

Based on the information provided to us by the Cyprus Register of Commerce, TRUTRADE HOLDING LIMITED belongs to ISSA N. AUDEH holder of 100% of the 1,000 shares of EUR1.71 value each. The contact address provided for AUDEH in the documents is PO Box 6031, Amman, Jordan.

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According to the same source of information, the sole director of the company is MANOLLY DIMITRY SABA of Lebanese nationality and residing on Ramlet El Baya, AZZIZ BUILDING, Beirut Lebanon.

As we explain further down in the report, in the chapter dedicated to the potential links between the AUDEH family and other rainmakers in the tobacco industry in the Middle East, the SABA family might play a very important role as a hub for the private and business relations.

As we will see here below, MANOLLY SABA is also director of another company of the AUDEH GROUP.

Trutrade & Consultancy Services Limited

The company TRUTRADE & CONSULTANCY SERVICES LIMITED was registered in Cyprus on 7 March 1991.

Based on the information provided to us by the Cyprus Register of Commerce, the company TRUTRADE & CONSULTANCY SERVICES LIMITED (C 43180) has the following directors:

SAAD ISSA N. AUDEH of English nationality, with contact address being PO Box 231, Aleppo, Syria

MANOLLY DIMITRI SABA of Lebanese nationality, with contact address on Ramlet El Bayda, AZZIZ BUILDING, Beirut Lebanon

The shareholders of the company are:

TRUTRADE HOLDING LIMITED with 9,999 shares of EUR 1.71 of value each and address on Spyrou Araouzou 67, Karmazi House 2nd floor, Flat/Office 202-203, P C 3036, Limassol, Cyprus

IANTHI KAMINARA with 1 share of EUR 1.71 of value

IANTHI KAMINARA of Cypriot nationality is also the secretary of this company and of TRUTRADE HOLDING LIMITED.

I.B.C.S. Development Co Limited

Another company of the AUDEH GROUP based in Cyprus, I.B.C.S. DEVELOPMENT CO LIMITED (C 101043) has the following directors:

ISSA N. AUDEH of English nationality and with the following contact address PO Box 6031, Amman, Jordan

IANTHI KAMINARA of Cypriot nationality with contact address on Athanasiou Diakou 3, Limassol, Cyprus (is also the secretary of the company).

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According to the information obtained from the Cyprus Trade Register, the shareholders of the company are:

IANTHI KAMINARA with 130,730 shares of 1.71 EUR of value each

ANDREAS XENOFONTOS with 5,001 shares of 1.71 EUR of value each

The company was registered in Cyprus on 26 March 1999.

Remark on IANTHI KAMINARA

Following a quick search on the internet, IANTHI KAMINARA appears to be a lawyer (practicing in Cyprus) and managing partner of the firm I.R.KAMINARA & CO LAW FIRM. The firm has a website under construction at the following address: www.kaminaralaw.com <<http://www.kaminaralaw.com>>.

On the website of the Cyprus-American Business Association, the American Chamber of Commerce in Cyprus, Mrs. IANTHI KAMINARA is presented as being the contact name for the company FOURPOINT TRADE LTD (member of the Chamber), part of the AUDEH GROUP. The company's contact details provided on this website are as follow:

FOURPOINT TRADE LTD
Omiros & Araouzos Tower, 5th Floor
Olympion Street 3035 Limassol
Cyprus

Tel: 25 5616762

Fax: 25-343255

E-Mail: fourpoint@audeh-group.com <<mailto:fourpoint@audeh-group.com>>

Web Site: www.audeh-group.com <<http://www.audeh-group.com>>

FOURPOINT TRADE LIMITED (C 110851) registered in Cyprus on 20 April 2000.

As mentioned on the website of the Group, "Fourpoint Trade Ltd opened its 1st multi-brands store, Chapter 5, in Limassol in the Spring of 2007, thus targeting a young and fashionable clientele. Chapter 5 proposes the following brands to its male and female clientele: Relakz, Mustang, Falke, Declor, St. Martin, Munich, True Religion and Croxe Accessories".

The social network www.plaxo.com <<http://www.plaxo.com>> links KAMINARA to AGIS PAPADOPOULOS from the law firm AGIS PAPADOPOULOS & ASSOCIATES, Greece, and to RIZZY ANDANI, Managing Partner, D'LUX ENTERTAINMENT COMPLEX, Kiev Ukraine (www.dinamolux.com.ua <<http://www.dinamolux.com.ua>>).

Phoenicia T.A.A. (Cyprus) Limited

The information collected about this company registered in Cyprus is displayed further down in the report, in the chapter dedicated to the PHOENICIA GROUP.

JT International (Jordan) Ltd

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