

1. EXCERPT FROM SECTION 25 STATEMENT (20 February 2024)

CONDUCT: CRIMINAL INVESTIGATION, RISK OF ASSET FORFEITURE

1. As stated in my conduct statement of 16th January 2024, the evidence directly inculpatating the respondent is contained in the Mac Book Pro and the Ubuntu computer the respondent and his solicitors fiercely fought to put into escrow under the guise of their “Imerman” allegations. The respondent subsequently instructed his solicitors to write a letter on 25th February 2022 in an obvious attempt to tamper with criminal forensic evidence which he knew would incriminate him in money laundering of illicit proceeds from prostitution. The respondent falsely represented that the “Ubuntu hard drive” had no valuable information and lied about our daughters using it to learn about Bitcoin Core Nodes.
2. To this day, the evidence has not yet been examined by an expert and the respondent has vehemently opposed a review of the Imerman devices, citing costs as his argument.
3. In addition to the Ubuntu and the MacPro devices handed over to his solicitors on 16 April 2021, there was also a hard copy document consisting of 200 pages of information from the devices. On 6th May 2021, the respondent sent me via Signal messaging a digital copy of the scanned document (thereafter referred to as “Pinocchio” document) thereby waving the confidentiality status. As a result, these documents no longer qualify as Imerman.
4. As evidenced in the “Pinocchio” documents, starting in 2018, the respondent had sole control, and exclusive responsibility for the financial management and the bookkeeping of Ms. Molina’s prostitution business. He managed the proceeds from the prostitution business, reconciled the bank accounts using the Xero software, and made the commission payments to the individual sex workers. He devised and implemented the transition of the prostitution business from fiat to cryptocurrency to facilitate the concealment of the illicit origin of the funds and increase anonymity.
5. Given the legal implications of the respondent’s involvement with prostitution activities and the appearance of assets derived from his involvement on our marital balance sheet I

have referred his conduct to the appropriate agencies, and my understanding is that IRS:CI has an ongoing investigation.

2. EXCERPT FROM CONDUCT PLEADINGS STATEMENT (16 January 2024)

Conduct (4): Karim's Involvement in Prostitution

29. I am concerned about the potential impact of the respondent's illicit activities on the division of assets and financial settlement. I am also concerned about the legal ramifications and my potential liability.
30. The evidence directly inculping the respondent is contained in the Mac Book Pro and the Ubuntu computer the respondent and his solicitors fiercely fought to put into escrow under the guise of their "Imerman" allegations. The respondent subsequently instructed his solicitors to write a letter to the applicant's solicitors in 2022 in an obvious attempt to tamper with criminal forensic evidence which he knew would inculcate him in money laundering of illicit proceeds from prostitution services using cryptocurrency. In the letter dated 25 February 2022 exhibited in page 142 of NZ5, the respondent's solicitors requested that the "Ubuntu hard drive" which was held in Imerman –and which had never been reviewed - be released from Imerman and sent to their client in Portugal. The respondent falsely represented that the "Ubuntu hard drive" had no valuable information and lied about our daughters using it to learn about Bitcoin Core Nodes. Notwithstanding his well-established non-disclosure of the Coinbase investment of \$7 million and despite the fact that no-one but him knew what was in the device, the applicant was asked to take his word for it and release the device from Imerman. To this day, the evidence has not yet been examined by an expert and the respondent has vehemently opposed a review of the Imerman devices, citing costs as his argument.
31. In addition to the Ubuntu and the MacPro devices handed over to his solicitors on xx April 2021, there was also a hard copy document consisting of 200 pages of information from the devices. On 6 May 2021, the respondent sent me via Signal messaging a digital copy of the scanned document (thereafter referred to as "Pinocchio" document) thereby waving

the confidentiality status. As a result, these documents no longer qualify as Imerman and are exhibited in pages 131 to 141 in NZ5, along with the respondent's Signal message.

32. As evidenced in the "Pinocchio" documents, starting in 2018, the respondent had sole control, and exclusive responsibility for the financial management and the bookkeeping of Ms Molina's prostitution business. He established a web of banking relationships and a sophisticated financial structure using his knowledge and expertise as a veteran investment banker and trader at Goldman Sachs. He managed the proceeds from the prostitution business, reconciled the bank accounts using the Xero software, and made the commission payments to the individual sex workers. He devised and implemented the transition of the prostitution business from fiat to cryptocurrency to facilitate the concealment of the illicit origin of the funds and increase anonymity.
33. Given the legal implications of Karim's involvement with prostitution activities and the appearance of assets derived from his involvement on our marital balance sheet I have referred his conduct to the appropriate agencies. The Court must consider Karim's fraudulent attempts and involvement in illegal activities in conjunction with his proven non-disclosures when drawing the necessary inferences to conclude additional undisclosed marital assets exist.