

OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.
2415 East Camelback Road, Suite 800
Phoenix, Arizona 85016
(602) 778-3700

1 Tracy A. Miller, SBN 015920
2 Melissa E. Posner, SBN 029953
3 OGLETREE, DEAKINS, NASH,
4 SMOAK & STEWART, P.C., #00504800
5 2415 East Camelback Road, Suite 800
6 Phoenix, Arizona 85016
7 Telephone: (602) 778-3700
8 Tracy.Miller@ogletreedeakins.com
9 Melissa.Posner@ogletreedeakins.com

10 THE LAWRENCE LAW GROUP PLLC
11 Andrew J. Lawrence (DC Bar No. 486160)
12 *Pro Hac Vice Application Pending*
13 5335 Wisconsin Avenue NW, Suite 700
14 Washington, DC 20015
15 (202) 904-2822
16 ajl@lawrenceclg.com

17 Attorneys for Plaintiffs

18 **SUPERIOR COURT OF THE STATE OF ARIZONA**

19 **COUNTY OF MARICOPA**

20 CV 2017-007457

21 PILATUS BANK, PLC; and ALI SADR,

No. _____

22 Plaintiff,

23 **COMPLAINT**

24 (Defamation, Tortious Interference,
25 Injurious Falsehood, and Equitable Relief)

26 vs.

27 DAPHNE CARUANA GALIZIA,

Assigned to Hon. _____

28 Defendant.

Plaintiffs Pilatus Bank, PLC and Ali Sadr, by their attorneys, Ogletree, Deakins,
Nash, Smoak & Stewart, P.C. and The Lawrence Law Group PLLC, for their Complaint
against Defendant, state as follows:

PAID
259 21884
CUMULO 100 \$1319.00

MICHAEL K. JEANES, CLERK
RECEIVED CCC #4
NIGHT DEPOSITORY
17 MAY -8 PM 6:09

FILED
BY A. MCLOONE, DEP

1 **Parties**

2 1. Plaintiff Pilatus Bank, PLC (“Pilatus Bank”) is a private bank organized
3 under the laws of Malta, with a principal place of business in Malta. Pilatus provides
4 banking services in Europe, Asia and the Americas.

5 2. Plaintiff Ali Sadr (“Sadr”) is an individual and a permanent resident of the
6 District of Columbia. Sadr is the owner of Pilatus.

7 3. Defendant Daphne Caruana Galizia is an individual, and upon information
8 and belief, a resident of Malta.

9 **Jurisdiction**

10 4. This Court has subject matter jurisdiction over this action pursuant to Ariz.
11 Rev. Stat. Ann. § 12-123.

12 5. This Court has personal jurisdiction over Defendant pursuant Ariz. R. Civ.
13 P. Rule 4.2 as Defendant has consented to personal jurisdiction of this Court by contract.

14 6. Venue is proper under A.R.S. § 12-401(5) as Defendant has consented to
15 appear in this Court by contract.

16 **Facts Common to All Counts**

17 **A. Jurisdiction**

18 7. This action arises out of Defendant’s false and defamatory statements
19 published on her weblog entitled “Running Commentary Daphne Caruana Galizia’s
20 Notebook” (her “blog”), located on the world wide web at daphnecaruanagalizia.com.

21 8. On or about March 1, 2008, Defendant registered the domain name
22 “daphnecaruanagalizia.com” with Registrar GoDaddy.com LLC.

23 9. Upon information and belief, upon registering the domain name, Defendant
24 agreed to be bound by the GoDaddy Universal Terms of Service Agreement, including
25 the GoDaddy Domain Name Registration Agreement, as modified from time to time.

26 10. Pursuant to the GoDaddy Domain Name Registration Agreement,
27 Defendant agreed, among other things, to submit to the jurisdiction of the courts where
28 Registrar is located.

1 11. GoDaddy.com LLC's headquarters are located at 14455 N. Hayden Rd.,
2 Ste. 226, Scottsdale, AZ 85260 in Maricopa County, Arizona.

3 **B. Defendant's Defamatory Statements**

4 12. Beginning on or about April 20, 2017, and continuing through the date of filing of
5 this complaint, Defendant has published a series of blog posts containing false and
6 defamatory statements asserting that Mr. Sadr created Pilatus Bank for the purpose of
7 criminal money laundering, and that Mr. Sadr has used Pilatus Bank for criminal money
8 laundering. These published false and defamatory statements include statements that the
9 Bank held documents in its safe relating to Mrs. Michelle Muscat, wife of the Prime
10 Minister of Malta, and that the Bank had accounts for companies named Tillgate Inc.,
11 Hearnville Inc. and Egrant Inc., through which it laundered millions of euros. These
12 published false and defamatory statements also include statements that the Bank ordered
13 staff to conceal information from the Maltese Financial Investigations Intelligence Unit
14 and that Mr. Sadr has committed criminal acts. As of the writing of this Complaint,
15 several defamatory posts are highlighted and linked to as "Featured Posts" on
16 Defendant's blog.

17 13. The statements of fact in the above published posts are false. Pilatus Bank
18 was not set up to criminally launder money. Pilatus Bank is a private commercial bank
19 that provides customized banking solutions and wealth management services that is
20 regulated under European banking laws. Pilatus Bank has not committed any criminal
21 acts. Mr. Sadr has not committed any criminal acts. Pilatus Bank does not have accounts
22 for Prime Minister Joseph Muscat, his wife Michelle Muscat, Tillgate, Inc., Hearnville,
23 Inc. or Egrant, Inc. Pilatus Bank did not participate in the transactions described above.
24 Pilatus Bank executives did not order staff to conceal information from government
25 investigators.

26 14. The defamatory statements in Defendant's blog were not privileged.

27 15. In addition to the above published defamatory statements, Defendant has
28 published numerous additional false and defamatory statements in an attempt to give her

1 accusations an aura of credibility. As examples, Defendant published that Pilatus Bank
2 has a safe in the kitchen of its offices containing secret documents connected to the wife
3 of the Prime Minister of Malta, published that Pilatus Bank applied for its banking
4 license in late 2013 and received it with amazing speed in January 2014, and published
5 the false claims that Pilatus Bank's branch in the United Kingdom is a sham.

6 16. Pilatus Bank does not have a safe in the kitchen and does not have secret
7 documents connected to the wife of the Prime Minister of Malta. Pilatus Bank did not
8 obtain its banking license in a period of two months, but rather obtained its license by the
9 normal process, a period of approximately eighteen months. Pilatus Bank is opening a
10 branch in London, which became licensed and regulated by the appropriate authorities as
11 of April 11, 2017, and is scheduled to open to customers at the end of June, 2017.

12 17. Defendant's posts repeatedly reference Mr. Sadr's nationality and country
13 of origin in a malicious attempt to smear his character.

14 18. The defamatory statements published in Defendant's blog posts on their
15 face falsely tend to impeach Pilatus Bank's and Mr. Sadr's honesty, integrity or
16 reputation, and therefore constitute defamation per se.

17 19. The defamatory statements published in Defendant's blog posts have been
18 recirculated by numerous Maltese and international newspapers and websites.

19 20. As a private bank, Pilatus Bank's reputation and trustworthiness is essential
20 to its ability to operate as a bank. In the modern financial system, Pilatus Bank's
21 operations require trusted relationships with the bank's clients, and with corresponding
22 banks throughout the world. Defendant's defamatory statements foreseeably caused
23 substantial damage to these relationships and threaten to irreparably destroy those
24 relationships, and thereby destroy Pilatus Bank itself.

25 21. Mr. Sadr is involved in many business ventures and Defendant's
26 defamatory statements foreseeably caused substantial damage to his businesses, career,
27 reputation and actual and prospective economic relationships.

1 22. Defendant's conduct was intentional, malicious, racist, abhorrent and
2 oppressive, justifying an award of punitive damages. Defendant's conduct had caused
3 and continues to cause damage to Plaintiffs and, as a result, the Court should issue
4 temporary, preliminary, and permanent injunctive relief.

5 **COUNT I**
6 **DEFAMATION**

7 23. Paragraphs 1-22 are incorporated as if set forth fully herein.

8 24. Defendant published numerous false statements about Pilatus Bank and Mr.
9 Sadr on her blog.

10 25. Defendant knew these statements were false, and/or acted in reckless
11 disregard of whether these statements were true or false, and/or negligently failed to
12 ascertain the truth or falsity of these statements.

13 26. Defendant published these statements intending to bring Pilatus Bank and
14 Mr. Sadr into disrepute, contempt, or ridicule, and to impeach Pilatus Bank's and Mr.
15 Sadr's honesty, integrity, virtue, and reputation.

16 27. Defendant published these statements with actual malice.

17 28. Defendant's defamatory statements caused actual damage to Pilatus Bank
18 and Mr. Sadr.

19 **COUNT II**
20 **TORTIOUS INTERFERENCE WITH BUSINESS EXPECTANCY**

21 29. Paragraphs 1-28 are incorporated as if set forth fully herein.

22 30. Pilatus Bank and Mr. Sadr have numerous contractual and economic
23 relationships and expectancies with third parties as part of their private banking business,
24 including contractual relationships and expectancies with clients of Pilatus Banks and
25 with corresponding banks throughout the world.

26 31. Defendant knew of these contractual and economic relationships and
27 expectancies.
28

1 32. Defendant intentionally interfered with these relationships and expectancies
2 by publishing numerous false and defamatory statements about Pilatus Bank and Mr.
3 Sadr, which caused disruption of and termination of these relationships and expectancies.

4 33. In addition, Defendant intentionally misappropriated and published Pilatus
5 Bank's confidential information, including customer names, which the Bank was under a
6 duty to maintain confidential.

7 34. Plaintiff's interference was improper and intended to harm Pilatus Bank's
8 relationships.

9 35. Pilatus Bank and Mr. Sadr have been damaged by the disruption of and
10 termination of these relationships and expectancies, and by the misappropriation and
11 publishing of confidential information.

12 **COUNT III**

13 **INJURIOUS FALSEHOOD**

14 36. Paragraphs 1-35 are incorporated as if set forth fully herein.

15 37. Defendant intentionally published false information that is derogatory to
16 Pilatus Bank's business.

17 38. Defendant published false information calculated to prevent others from
18 dealing with Pilatus Bank.

19 39. Defendant published the statements above knowing that they were false.

20 40. Pilatus Bank has been damaged by the publication of the false and
21 derogatory information.

22 **WHEREFORE**, Plaintiffs Pilatus Bank, PLC and Ali Sadr respectfully request
23 that this Court enter Judgment against Defendant Daphne Caruana Galizia as follows:

24 A. Awarding Plaintiffs actual and compensatory damages an amount to be
25 determined at trial, plus interest;

26 B. Awarding Plaintiffs punitive damages;

27 C. Temporarily, Preliminarily, and Permanently Enjoining Defendant from
28 publishing the defamatory statements set forth herein;

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

D. Awarding Plaintiffs the costs of bringing this action, including reasonable attorneys' fees, disbursements and experts' fees; and


E. Providing for such other or further relief as the Court may deem just and proper.

JURY DEMAND

Plaintiffs demand a trial by jury on all issues so triable.

DATED this 8th day of May 2017.

Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

By 

Tracy A. Miller
Melissa E. Posner
2415 East Camelback Road, Suite 800
Phoenix, Arizona 85016

Attorneys for Plaintiffs

OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.
2415 East Camelback Road, Suite 800
Phoenix, Arizona 85016