

# **Ofek Capital Announces a Change in Its Deal with Kaptor Financial**

## **Ofek commenced legal actions in its efforts to recover and cancel shares**

Toronto – (PrimeZone) – February 15, 2005 – Ofek Capital Corp. (PinkSheet: OFCC) announces that it has restructured its transaction with Kaptor Financial Inc. (“Kaptor”). In this regard Ofek has entered into an agreement to sell AJM Leasing, its wholly owned and only currently operating subsidiary, to Kaptor in an all share exchange transaction, resulting in Ofek holding a 25% interest in Kaptor.

In doing so, Ofek will avoid the material dilution arising out of the originally proposed deal structure and will end up with a 25% interest in Kaptor, valued at US\$1,250,000, based on Kaptor’s net book value. Ofek also has an option to increase its holdings to 33% interest within 5 years.

Kaptor plans on expanding its operations through AJM Leasing, to offer mezzanine financing, commercial and industrial mortgages, inventory and receivable financing, convertible debt and equity participation, which will in turn play a roll in enhancing Ofek shareholders’ value.

Ofek will continue its presence in the sub prime financial services arena through the development and acquisitions of operations within this field. Kaptor and Ofek have agreed to continue to work together to enable both to implement their respective mandates and enhance each others’ operations and prospects.

The transaction is expected to close around the middle of May, subject to Ofek obtaining the approval of its shareholders.

### **Share recovery and cancellation**

In its continued effort to recover and cancel shares issued to different individuals and entities and pursuant to its rights under its agreements, Ofek has initiated 3 court actions.

An action has been launched against Cal Massaro and Selective Portfolio LLC of Thumbull Connecticut, for the recovery of 500,000 shares and \$175,000 in damages. Ofek has noted both in default and is seeking a judgment;

Ofek has commenced an action against Morgan J. Wilbur III and Morgan James & Associates of Savanna Georgia and of Lantana Florida, for the recovery of 1,000,000 shares and \$250,000 in damages. Ofek has noted both in default and is seeking to obtain a judgment in short order; and

Ofek has launched an action against Norman Olshansky and Granite Group Inc. of Boca Raton Florida, and Bersoti TBF Management Ltd. – Gestion Bersoti TBF Ltee of Quebec, Canada, for the recovery of 5,500,000 shares and \$1,000,000 in damages. These defendants filed a defence and a counter claim as against Ofek and as against Shalom Romm for damages in the amount of \$1,000,000. Ofek as well as Shalom Romm are vigorously defending such counter claim, which Ofek believes has no merits.

Ofek intends to see these actions through to their respective conclusions and management is eager to recover all 7,500,000 shares for cancellation.

## **About Ofek Capital**

Ofek [www.OfekCapital.com](http://www.OfekCapital.com) is a North American financial services company that operates within the sub-prime lending and financing arena. Ofek believes that the sub-prime market is the most lucrative niche in the financial services industry.

- Ofek currently leases used cars through its Ontario only operating subsidiary, AJM Leasing
- Mortgage Bankers of North America, a California subsidiary, anticipates offering traditional mortgage banking services in 40 states
- SecondaryMarkets, a California subsidiary, anticipates the development of a proprietary, patent pending, automated submission and lending approval software system. It will be state-of-the-art and capable of generating immediate loan approval from multiple loan providers

This release contains forward-looking statements within the meaning of Section 21E of the Securities and Exchange Act of 1934, which reflect management's expectations regarding Ofek's future growth, results of operations, performance and business prospects and opportunities. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risks, uncertainties and assumptions. A number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. Ofek Capital Corp. takes no obligation to update or correct any or such forward-looking statements.

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