

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

DEBORAH D. PETERSON, Personal)	
Representative of the Estate of James C.)	
Kipple, et al.)	
)	
Plaintiffs,)	Consolidated Civil Actions
)	01-2094 (RCL)
)	01-2684 (RCL)
v.)	
)	
ISLAMIC REPUBLIC OF IRAN, et al.,)	
)	
Defendants.)	
)	

MEMORANDUM OPINION AND ORDER

This consolidated action arises from the terrorist bombing of the United States Marine Barracks in Beirut, Lebanon on October 23, 1983. The more than 600 plaintiffs in this action include the family members of the 241 United States Marines and other servicemen killed in the Lebanon bombing, the injured survivors of that attack, and the family members of the injured survivors. Plaintiffs brought this action against Iran and certain Iranian Government agencies pursuant to 28 U.S.C. § 1605(a)(7) of the Foreign Sovereign Immunities Act (FSIA), which is commonly known as the state sponsor of terrorism exception to sovereign immunity. Defendants failed to appear, and this Court ultimately entered a default judgment against defendants in excess of 2.5 billion dollars. *See Peterson v. Islamic Republic of Iran*, 515 F. Supp. 2d 25 (D.D.C. 2007) (Lamberth J.). That judgment has not been satisfied.

Unable to collect on their judgment through ordinary means, plaintiffs have filed several motions [Dk. #s 251, 259, & 404] requesting that this Court appoint receivers pursuant to Fed. R.

Civ. P. 66 and 28 U.S.C. § 754. These post-judgment motions in essence aim to accomplish one large receivership with sweeping powers to identify, take possession of, and liquidate a host of undisclosed Iranian Government assets in execution of the plaintiffs' multi-billion-dollar judgment against Iran.¹ The undisclosed Iranian assets that would be subject to the proposed receivership includes bank deposits, stocks, credits due to Iran, and any and all current and future revenues that Iran receives as a result of its extensive state-owned oil, petroleum, natural gas, and hydro-carbon industries. According to plaintiffs, a properly appointed receivership in this case will have the authority to demand possession of any of Iran's assets located within the jurisdiction of the United States Courts.

In support of their motions, plaintiffs rely on changes enacted to the FSIA pursuant to the Section 1083 of the 2008 National Defense Appropriations Act (NDAA). Pub. L. No. 110-181, 122 Stat. 3, § 1083. Section 1083 of the NDAA repeals § 1605(a)(7) and replaces that provision with an entirely new state sponsor of terrorism exception, § 1605A. Section 1083 also implements a number of other changes in connection with § 1605A. Many of the changes are designed to help plaintiffs execute their judgments against state sponsors of terrorism. In particular, plaintiffs rely on § 1610(g), which is intended to severely limit the sovereign immunity from attachment and execution that might otherwise be afforded to property belonging to terrorist states like Iran. Plaintiffs argue that § 1610(g) completely eliminates Iran's sovereign immunity with respect to its property, and thus that property should now be turned over to court-

¹ One of the three motions, Dk. #404, is under seal and subject to a protective order because it concerns specific securities held by a United States financial institution. It is not necessary, however, for this Court to delve into any factual details to resolve either that motion or any of the others pertaining to Iranian assets that may be held by United States financial institutions.

appointed receivers.

As this Court has stressed to these plaintiffs before, the appointment of a receivership is “an equitable remedy of rather drastic nature.” *Peterson v. Islamic Republic of Iran*, 563 F. Supp. 2d 268, 277 (D.D.C. 2008)(Lamberth, C.J.). The decision to appoint a receiver is left to the sound discretion of the trial court. *Id.* In this case, the controlling law under the FSIA does not support plaintiffs’ requests. Whatever might be said of § 1610(g), the simple fact is that provision does not apply here. By its express terms, § 1610(g) applies only to “judgments entered under 1605A.” Notably, plaintiffs could have converted their judgment under § 1605(a)(7) into a new action under § 1605A. *See* § 1083(c). Plaintiffs failed to do so. Accordingly, plaintiffs are not entitled to reap the benefits of any subsequent changes in the law relating to the degree of immunity accorded to Iran’s property under the FSIA.

Plaintiffs’ three motions for the appointment of receivers, Dk. #s 251, 259, and 404 are denied.

Signed by ROYCE C. LAMBERTH, Chief Judge, on March 31, 2009