

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

<p>DEBORAH D. PETERSON, Personal Representative of the Estate Of James C. Knipple (Dec.), et al.,</p> <p style="text-align: center;">Plaintiffs,</p> <p style="text-align: center;">v.</p> <p>ISLAMIC REPUBLIC OF IRAN; BANK MARKAZI a/k/a CENTRAL BANK OF IRAN; BANCA UBAE SpA; CITIBANK, N.A., and CLEARSTREAM BANKING, S.A.,</p> <p style="text-align: center;">Defendants.</p>	<p>Case No.: 10 CIV 4518 (BSJ) (GWG)</p> <p>FILED UNDER SEAL CONTAINS CONFIDENTIAL MATERIAL SUBJECT TO PROTECTIVE ORDER</p> <p>PLAINTIFFS' SUPPLEMENTAL RULE 56.1 STATEMENT OF UNDISPUTED FACTS IN SUPPORT OF THEIR MOTION FOR PARTIAL SUMMARY JUDGMENT AGAINST ALL DEFENDANTS</p>
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Plaintiffs, by their undersigned attorneys, pursuant to Local Rule 56.1, hereby submit this statement of undisputed facts in support of their supplemental memorandum of law in support of their motion for partial summary judgment.

UNDISPUTED MATERIAL FACTS	SUPPORTING EVIDENCE
1. On August 10, 2012, President Obama signed into law the Iran Threat Reduction and Syria Human Rights Act of 2012, Public Law No. 112-158, 126 Stat. 1214 (the "Act"), which was codified at 22 U.S.C. § 8772.	Supplemental Declaration of Liviu Vogel, dated September 14, 2012 ("Vogel Supp. Decl.") at ¶ 2.
2. Before the Court issued the Restraints, Clearstream held the Blocked Assets in an omnibus custody account that it maintained at Citibank in the United States, and the Blocked Assets are currently held in the United States.	Vogel Supp. Decl. at ¶ 6 and Exs. 27, 28, and 29 (OFAC's responses to the Peterson Plaintiffs' subpoenas).

UNDISPUTED MATERIAL FACTS	SUPPORTING EVIDENCE
<p>3. Clearstream is a foreign securities intermediary and acted as such with respect to the Blocked Assets.</p>	<p>Vogel Supp. Decl. at ¶ 7 and Ex. 30 (Clearstream is a <i>société anonyme</i> (an entity with certain characteristics of a corporation) formed under Luxembourg law); Vogel Supp. Decl. at ¶ 8; Vogel Reply. Decl., Ex. 5 at 6:14-18, 7:14-8:7, and 14:15-20 (Clearstream maintains the “subdeposit of the securities” on behalf of its customers in various countries, including the United States.”); Vogel Supp. Decl. at ¶ 9 and Ex. 30 at Sections 7 and 8, and Exs. 31 and 32 (Clearstream holds securities in accounts for its customers as part of its normal business operations); Vogel Supp. Decl. at ¶ 14 and Ex. 32 (Clearstream’s General Terms and Conditions describing its duties and responsibilities as a securities intermediary); Vogel Supp. Decl. at ¶ 10; Vogel Decl., Ex. K at ¶¶ 5, 15-19 (Clearstream maintained a “custody account” in which Markazi deposited the Blocked Assets); Vogel Supp. Decl. at ¶ 11; Vogel Decl., Ex. L (Clearstream maintained a “securities account” for Markazi).</p>
<p>4. At the time the Court restrained the Blocked Assets, Clearstream held 19 of the 20 financial assets owned by Markazi in a custodial securities account maintained in the name of defendant UBAE governed by Clearstream’s General Terms and Conditions.</p>	<p>Vogel Supp. Decl. at ¶ 12-14 and Ex. 32; Vogel Decl., Ex. J at ¶ 26; and Vogel Reply Decl., Exs. 11 and 16.</p>

UNDISPUTED MATERIAL FACTS	SUPPORTING EVIDENCE
<p>5. At all relevant times, Clearstream has conducted business in the United States.</p>	<p>Vogel Supp. Decl. at ¶ 15; Vogel Reply Decl., Ex. 17 (Clearstream maintains a representative office in New York City currently located at 55 Broad Street); Vogel Supp. Decl. at ¶ 15 and Ex. 33 (Clearstream's representative office at 350 Madison Avenue, New York, New York had a reception area, several employees each of whom had their own computer and telephone at their desk surrounded by perimeter offices); Vogel Supp. Decl. at ¶ 16-17 (Clearstream's description of the extensive responsibilities carried out by its New York-based employees); Vogel Reply Decl., Ex. 17 (Clearstream's licenses to conduct business in New York); Vogel Supp. Decl. at ¶ 18 and Ex. 34; Vogel Reply Decl., Ex. 17 at ¶ 5 and Ex. 18 (Clearstream's Federal Employer I.D. pursuant to which it employed at least 13 employees in its New York office); Vogel Supp. Decl. at ¶ 19 and Ex. 34 (Clearstream's 2009 website description of its New York activities, which was later removed); Vogel Supp. Decl. at ¶ 20; Vogel Reply Decl., Ex. 17 at ¶ 6 (Clearstream's NY bank accounts); Vogel Supp. Decl. at ¶ 21 and Ex. 35 (Clearstream's application to U.S. Department of Labor); Vogel Supp. Decl. at ¶ 22; Vogel Reply Decl., Exs. 5 at 24:8-10 and 7 (As of June 16, 2008, Clearstream's omnibus account at Citibank in New York contained approximately \$10 billion worth of the various bonds that Markazi then owned through Clearstream); Vogel Supp. Decl. at ¶ 23 and Ex. 32 (Article 15 of the General Terms and Conditions provides that Clearstream can sub-custodize securities in the United States); Vogel Supp. Decl. at ¶ 24; Vogel Reply Decl., Ex. 14I (Defendants' acknowledgement that all of the bonds that once comprised the Blocked Assets <i>had to be maintained for safekeeping in the United States</i>).</p>

UNDISPUTED MATERIAL FACTS	SUPPORTING EVIDENCE
<p>5 At all relevant times, Clearstream has conducted business in the United States.</p> <p><i>(continued from previous page)</i></p>	<p>Vogel Supp. Decl. at ¶ 25-28 and Exs. 36-38; Vogel Reply Decl., Ex. 19 at ¶ 3 and Ex. 5 at 7:9-11, 23:22-23 (Clearstream’s use of an omnibus account at Citibank in New York to “sub-custodize” the securities of Clearstream’s customers); Vogel Supp. Decl. at ¶ 28 and Ex. 38 (Clearstream’s cash account for U.S. Dollar transactions at JP Morgan Chase Bank in New York); Vogel Supp. Decl. at ¶ 29 and Ex. 28 (Clearstream’s cash account at Citibank in New York).</p>

UNDISPUTED MATERIAL FACTS	SUPPORTING EVIDENCE
<p>6. Markazi is the sole beneficial owner of the Blocked Assets.</p>	<p>Vogel Supp. Decl. at ¶ 30; Vogel Reply Decl., Ex. 5 at 62:6-63:1 (June 27, 2008 Hearing at which Clearstream acknowledged Markazi's beneficial ownership of restrained securities); Vogel Supp. Decl. at ¶ 31; Vogel Reply Decl., Ex. 5 at 70:18-71:8 (Clearstream's explanation of beneficial investments and accounts); Vogel Supp. Decl. at ¶ 32; Vogel Reply Decl., Exs. H and I (correspondence between Clearstream and UBAE acknowledging that that Markazi was the beneficial owner of the securities held in both Markazi's account at Clearstream (No. 80726) and UBAE's customer account at Clearstream (No. 13061)); Vogel Supp. Decl. at ¶ 31; Vogel Reply Decl., Ex. 5 at 70:18-71:8 (Clearstream admits that UBAE has no beneficial ownership interest in the securities positions held in its account number 13061); Vogel Supp. Decl. at ¶ 33 and Ex. 39; Vogel Reply Decl., Ex. 5 at 50:12-51:11 (Clearstream acknowledgement that it continued to hold in a custodial account held in the name of Markazi (No. 80726), a position in a bond bearing ISIN [REDACTED] with a quantity of 1,500,000,000 Japanese Yen); Vogel Decl., Ex. K at ¶¶ 23-26; Vogel Supp. Decl. at ¶¶ 34-35 and Exs. 40 and 41; Vogel Reply Decl., Ex. 5 at 51:12-56:13 and 16 (showing that the Blocked Assets that Clearstream held in the name of UBAE were ultimately held in a UBAE custody account in the name of Markazi); Vogel Supp. Decl. at ¶ 35; Vogel Decl., Ex. K at ¶ 26 (Ali Asghar Massoumi affidavit of October 17, 2010 confirming Markazi's beneficial ownership of Blocked Assets).</p>
<p>7. The Blocked Assets are equal in value to assets of Markazi, the Central Bank of Iran, which Clearstream claims to hold abroad.</p>	<p>Vogel Supp. Decl. at ¶¶ 33-35 and Exs. 42-44; Vogel Reply Decl., Ex. 5 at 42:2-50:7 and 56:14-59:22.</p>

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Respectfully submitted,



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