

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DEBORAH D. PETERSON,
Personal Representative of the Estate of
James C. Knipple (Dec.) et al.,

Plaintiffs,

v.

ISLAMIC REPUBLIC OF IRAN, et al.,

Defendants.

Case No. 10 CIV 4518 (KBF)

FILED UNDER SEAL

**CONTAINS CONFIDENTIAL
MATERIAL SUBJECT TO
PROTECTIVE ORDER**

**DEFENDANT BANK MARKAZI'S LOCAL RULE 56.1 RESPONSE TO
PLAINTIFFS' SUPPLEMENTAL STATEMENT OF UNDISPUTED FACTS IN
SUPPORT OF PLAINTIFFS' MOTION FOR PARTIAL SUMMARY JUDGMENT**

Pursuant to Rule 56.1(b) of the Local Rules of the United States Courts for the Eastern and Southern Districts of New York, Defendant Bank Markazi, the Central Bank of Iran ("Bank Markazi" or "the Bank"), responds as follows to each statement, numbered 1 through 7, in Plaintiffs' Supplemental Statement of Undisputed Facts in Support of Their Motion for Partial Summary Judgment in the above captioned action (the "Turnover Action").

A. Undisputed Material Facts

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.

Response No. 1: Undisputed, with clarification. Only Section 502 of the Act was codified at 22 U.S.C. §8772, not the entire Act.

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.

Response No. 2: Undisputed, with clarification. At the time the Court issued the Restraints, the assets were not blocked.

3. Clearstream is a foreign securities intermediary and acted as such with respect to the Blocked Assets.

Response No. 3: Bank Markazi lacks sufficient information to form a belief as to the truth of this statement.

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.

Response No. 4: Undisputed, with clarification. The statement that the financial assets were "owned by" the Bank constitutes an improper conclusion of law rather than a statement of fact.

5. At all relevant times, Clearstream has conducted business in the United States.

Response No. 5: Bank Markazi lacks sufficient information to form a belief as to the truth of this statement.

6. Markazi is the sole beneficial owner of the Blocked Assets.

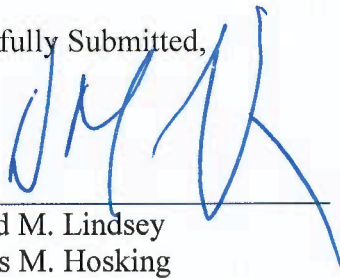
Response No. 6: Disputed. This statement constitutes an improper conclusion of law rather than a statement of fact. Bank Markazi has a beneficial interest in the Blocked Assets. However, Bank Markazi is not the "beneficial owner" of those assets under applicable law. Otherwise, Bank Markazi respectfully refers the Court to its Memorandum of Law dated March 15, 2012 in Support of Its Motion to Dismiss the Second Amended Complaint for Lack of Subject Matter Jurisdiction.

7. The Blocked Assets are equal in value to assets of Markazi, the Central Bank of Iran, which Clearstream claims to hold abroad.

Response No. 7: Undisputed, with clarification. Bank Markazi's assets are located outside the United States. Bank Markazi lacks sufficient information to form a belief as to whether the Blocked Assets are "equal in value" to any assets of Bank Markazi located outside the United States.

Dated: New York, New York
October 26, 2012

Respectfully Submitted,

A handwritten signature in blue ink, appearing to be 'DML', is written over a horizontal line.

David M. Lindsey
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