

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

FREDERICK C. BENSON, et al.,

Plaintiffs,

v.

ISLAMIC REPUBLIC OF IRAN, et al.

Defendants.

No. 26-cv-2327 (LAP)

MEMORANDUM OF LAW IN SUPPORT OF
PLAINTIFFS' MOTION TO CONFIRM ORDER OF ATTACHMENT

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INTRODUCTION

Plaintiffs are 1,335 U.S. military servicemembers, or their surviving family members, who are victims of Iran-sponsored terrorist attacks, and who have secured judgments against Iran including over \$10 billion in compensatory money damages to redress the unimaginable harm inflicted on them by those attacks. Plaintiffs filed this action to satisfy a portion of those judgments under Section 201(a) of the Terrorism Risk Insurance Act of 2002 (“TRIA”), which permits them to attach and execute on assets of agencies or instrumentalities of Iran. Defendants are the John Doe owners of two cryptocurrency wallets—the “TNiq Wallet” and the “TTiD Wallet” (together, the “Sanctioned Wallets”)—that Plaintiffs identified through their investigation as likely agencies or instrumentalities of Iran. Indeed, it now appears from the factual record that those John Does are likely none other than the Central Bank of Iran, a well established agency and instrumentality of Iran (“CBI,” also known as “Bank Markazi,”): On April 24, 2026, the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) added both the TNiq Wallet and the TTiD Wallet to its existing listing for CBI on OFAC’s Specially Designated Nationals (“SDNs”) and Blocked Persons List (“SDN List”).

The Court granted Plaintiffs an *ex parte* Order of Attachment against the TNiq Wallet on March 22, 2026 (the “March 22 Order of Attachment”). On April 28, 2026, the Court granted an *ex parte* Amended Order of Attachment that amended the March 22 Order and granted a further attachment against the TTiD Wallet (the “Amended Order of Attachment,” and together with the March 22 Order of Attachment, the “Order of Attachment.”). Plaintiffs now move pursuant to CPLR 6211(b) to confirm the Order of Attachment.

Everything necessary to support the Order of Attachment remains as true today as when the Court first granted relief. And the standard for confirmation is easily satisfied. Plaintiffs have

a cause of action under TRIA to recover these assets from Defendants, and an extremely high probability of success on that cause of action. In addition to OFAC's formal designation, Plaintiffs' TRIA claim rests on substantial additional evidence in the form of expert testimony, documentary evidence, and additional public reporting. Taken together, the record overwhelmingly supports the conclusion now also adopted by the U.S. Government: that the assets subject to the Order of Attachment are blocked assets of an agency or instrumentality of Iran. And, as further explained below, the other requisites for confirmation are met: Plaintiffs have grounds for the attachment, a continuing need for the attachment to provide security for their judgments and secure jurisdiction over Defendants, and the amount demanded exceeds all known counterclaims.

For these reasons, and as further set forth below, the Court should confirm the Order of Attachment.

BACKGROUND

Plaintiffs are 1,335 U.S. military servicemembers, or their surviving family members, who were victims of terrorist attacks sponsored by Iran. Plaintiffs hold money judgments against Iran entered in various actions in the U.S. District Court for the District of Columbia. Collectively, Plaintiffs' judgments total approximately \$20 billion, including well over \$10 billion in compensatory damages and prejudgment interest. In this action, Plaintiffs seek enforcement of their judgments, including attachment and execution against over \$344 million worth of cryptocurrency assets that are designated by the U.S. Government as property of an agency or instrumentality of Iran. Plaintiffs seek to execute on those assets under TRIA, which makes available for attachment and execution the blocked property of agencies or instrumentalities of a terrorist party like Iran, "[n]otwithstanding any other provision of law," pursuant to the attachment

and execution procedures of Articles 52 and 62 of the New York Civil Practice Law and Rules (“CPLR”). *See* Fed. R. Civ. P. 69.

Through investigation, Plaintiffs identified numerous anonymous wallet addresses linked to Iranian cryptocurrency exchanges and bearing other indicia of a role in performing material functions on behalf of the Iranian regime. Plaintiffs initially brought this action seeking a determination that the anonymous wallet holders were, in fact, agencies or instrumentalities of Iran such that their assets are subject to execution under TRIA.

The U.S. Government then took actions against the largest of the wallets subject to Plaintiffs’ Original Complaint—the TNiq Wallet¹—along with an additional wallet—the TTiD Wallet²—that Plaintiffs (and now the U.S. Government) had identified as linked to the TNiq Wallet. May 11 Nathan Decl. ¶¶ 6, 7. More specifically, on April 21, 2026, U.S. federal law enforcement agencies identified the assets stored in the TNiq Wallet as tied to Islamic Revolutionary Guard Corps (“IRGC”) funding. Am. Compl. ¶ 17. Then, on April 23, Garnishee Tether announced that it had—in coordination with OFAC and other U.S. law enforcement—acted to freeze the assets in the TNiq and TTiD Wallets. Am. Compl. ¶¶ 17, 74. On April 24, 2026, public reporting revealed that the TNiq Wallet was “tied to Iran” and that “blockchain analytics experts” working with the U.S. Government “observed evidence of material links” between the wallet and “the Iranian regime.” *Id.* ¶¶ 76–78. Later that same day, OFAC designated the TNiq and TTiD Wallets as identifiers of, and in turn blocked property of, a sanctioned agency and instrumentality of Iran, namely the Central Bank of Iran. May 11 Nathan Decl. ¶ 7, Ex. 2; Am. Compl. ¶¶ 2, 17–18, 79; Maleki Decl. ¶¶ 18–20.

¹ The full address of the TNiq Wallet is TNiq9AXBp9EjUqhDhrwrfvAA8U3GUQZH81.

² The full address of the TTiD Wallet is TTiDLWE6fZK8okMJv6ijg42yrH6W2pjSr9.

All of this proceeded after Plaintiffs had, through their own investigation, identified the TNiq Wallet as an Iranian agency or instrumentality, and identified significant ties between the TNiq Wallet and TTiD Wallet. However, given the implications of the OFAC designation, on April 26, 2026, Plaintiffs filed the Amended Complaint, narrowing the action to Defendants, the owners of the TNiq and TTiD Wallets, and the assets contained in those wallets. That same day, Plaintiffs filed the Motion for Amended Attachment, which the Court granted on April 28, 2026. *See* Amended Order of Attachment.

Since April 28, 2026, Plaintiffs have continued their investigation into the TNiq and TTiD Wallets and have now gathered substantial additional evidence—submitted with this motion³—that confirms what was already plainly clear with OFAC’s placement of the TNiq and TTiD wallets on the SDN List: both wallets are “blocked” assets of an agency and instrumentality of Iran—namely the Central Bank of Iran—that are subject to attachment and execution under TRIA to satisfy Plaintiffs’ judgments against Iran.

LEGAL STANDARD

“The procedure on execution—and in proceedings supplementary to and in aid of judgment or execution—must accord with the procedure of the state where the court is located,” Fed. R. Civ. P. 69(a)(1), and attachment in aid of execution is available “under the law of the state where the court is located,” Fed. R. Civ. P. 64(a), “but a federal statute governs to the extent it applies,” *id.*; Fed. R. Civ. P. 69(a)(1).

“On a motion. . . for an order to confirm an order of attachment, the plaintiff shall show, by affidavit and such other written evidence as may be submitted, [1] that there is a cause of action,

³ The expert declaration of Miad Maleki (“Maleki Decl.”) is attached to the Declaration of Aaron E. Nathan (“May 11 Nathan Decl.”) as Exhibit 6.

[2] that it is probable that the plaintiff will succeed on the merits, [3] that one or more grounds for attachment provided in section 6201 exist, and [4] that the amount demanded from the defendant exceeds all counterclaims known to the plaintiff.” CPLR 6212(a). The “provisions of” CPLR 6223(b) also “apply to” a motion to confirm. CPLR 6211(b). CPLR 6223(b), in turn, provides that in moving to confirm an order of attachment, “the plaintiff shall have the burden of establishing [1] the grounds for the attachment, [2] the need for continuing the levy and [3] the probability that he will succeed on the merits.” When “a statutory ground for attachment exists and both need and likelihood of success are established,” courts must grant attachment and their “discretion does not permit denial of the remedy for some other reason, at least absent extraordinary circumstances and perhaps even then.” *Cap. Ventures Int’l. v. Republic of Argentina*, 443 F.3d 214, 222 (2d Cir. 2006).

ARGUMENT

Each of the statutory grounds for confirming an order of attachment is met here: Plaintiffs have a cause of action, are overwhelmingly likely to succeed on the merits of that cause of action, have one or more grounds for attachment, have an ongoing need for continuing the levy, and the amount demanded exceeds all known counterclaims. Indeed, the Court has already recognized as much with respect to most of these elements.

I. Plaintiffs Have a Cause Of Action.

The first element of CPLR 6212(a) is easily satisfied. Plaintiffs possess a cause of action under TRIA and CPLR Article 52. *See* Amended Complaint ¶¶ 80–92. TRIA authorizes attachment and execution of “the blocked assets of any agency or instrumentality of [a] terrorist party” to satisfy judgments, like Plaintiffs’ judgments here, obtained under the FSIA’s terrorism exception. TRIA § 201(a), codified at note following 28 U.S.C. § 1610; *see Kirschenbaum v. 650*

Fifth Ave. & Related Props., 830 F.3d 107, 131 (2d Cir. 2016) (“*Kirschenbaum I*”), abrogated on other grounds by *Rubin v. Islamic Republic of Iran*, 583 U.S. 202 (2018). Plaintiffs hold such judgments against Iran and have registered them in this District.⁴ Further, Defendants are agencies or instrumentalities of Iran, and the assets contained in their Sanctioned Wallets are “blocked” assets under U.S. law. Plaintiffs accordingly have a cause of action to execute against—and obtain attachment in aid of execution against—those assets under TRIA. TRIA permits execution, and attachment in aid of execution, of judgments awarded against agencies and instrumentalities of terrorist parties, “notwithstanding any other provision of law.” TRIA § 201(a). Meanwhile, CPLR Article 52 “provides [a] cause of action” for judgment creditors to seek a turnover order against a garnishee. *Peterson v. Bank Markazi*, 121 F.4th 983, 1004 (2d Cir. 2024).

II. It Is Highly Probable That Plaintiffs Will Succeed on the Merits.

In assessing the probability of success on the merits for purposes of confirming an order of attachment, Plaintiffs must “demonstrate that it is more likely than not that [they] will succeed on [their] claims and must show proof stronger than that required to make a prima facie case.” *In re Firestar Diamond, Inc.*, 657 B.R. 730, 746 (Bankr. S.D.N.Y. 2024) (quoting *Musket Corp. v. PDVSA Petroleo, S.A.*, 512 F. Supp. 2d 155, 160 (S.D.N.Y. 2007)). Further, “all legitimate inferences . . . should be drawn in favor of the party seeking attachment.” *Mishcon de Reya New York LLP v. Grail Semiconductor, Inc.*, 2011 WL 6957595, at *4 (S.D.N.Y. Dec. 28, 2011) (cleaned up).

⁴ See May 11 Nathan Decl. ¶¶ 2–4; *Larson et al. v. Islamic Republic of Iran*, 26-mc-00149, (S.D.N.Y.), ECF No. 1 (*Adamkavicius*); *Robert Martino et al. v. Islamic Republic of Iran*, 26-mc-00152, (S.D.N.Y.), ECF No. 1; *Robert Martino et al. v. Islamic Republic of Iran*, 26-mc-00153, (S.D.N.Y.), ECF No. 1; *Robert Martino et al. v. Islamic Republic of Iran*, 26-mc-00154, (S.D.N.Y.), ECF No. 1; *Neiberger et al. v. Islamic Republic of Iran*, 26-mc-00151 (S.D.N.Y.) ECF No. 1; *Boatright et al. v. Islamic Republic of Iran*, 26-mc-00148 (S.D.N.Y.), ECF No. 1 (*Zambon*); *Cabrera et al v. Islamic Republic of Iran*, 26-mc-00160, (S.D.N.Y.), ECF No. 1.

Here, it is highly probable that Plaintiffs will succeed on the merits. OFAC has designated the assets subject to this TRIA action as assets in which CBI has an interest, rendering those assets “blocked assets of an agency or instrumentality of” Iran for purposes of TRIA. May 11 Nathan Decl. ¶¶ 3–4, 7. No more is necessary for Plaintiffs to succeed on their TRIA claims. Nevertheless, other evidence amassed from the public record and from expert testimony lends further support, rendering it far more than “probable” that Plaintiffs will succeed on the merits.

A. Defendants Are Agencies or Instrumentalities of Iran.

Under TRIA, an entity is an “agency or instrumentality” of a terrorist party if it “(1) was a means through which a material function of the terrorist party is accomplished, (2) provided material services to, on behalf of, or in support of the terrorist party, *or* (3) was owned, controlled, or directed by the terrorist party.” *Kirschenbaum I*, 830 F.3d at 135. Plaintiffs need only satisfy one prong. *Havlish v. Taliban*, 152 F.4th 339, 362 (2d Cir. 2025). Each one is amply satisfied here.

Most critically, on the afternoon of April 24, 2026, OFAC officially placed the TNiq and TTiD Wallets on OFAC’s SDN List, designating the Sanctioned Wallets as blocked property of, and identifiers of, a sanctioned agency or instrumentally of Iran (specifically the Central Bank of Iran), and explicitly linked both Wallets to the IRGC. Am. Compl. ¶ 79; May 11 Nathan Decl. ¶ 7, Ex. 2

Image 1: OFAC SDN Designation

The following changes have been made to OFAC's SDN List:

BANK MARKAZI JOMHOURI ISLAMI IRAN (a.k.a. BANK MARKAZI IRAN; a.k.a. CENTRAL BANK OF IRAN; a.k.a. CENTRAL BANK OF THE ISLAMIC REPUBLIC OF IRAN (Arabic: (بانک مرکزی جمهوری اسلامی ایران)), PO Box 15875/7177, 144 Mirdamad Blvd, Tehran, Iran; 213 Ferdowsi Avenue, Tehran 11365, Iran; Mirdamad Blvd, 144 - P.O. Box 15875/7/77, Tehran, Iran; Additional Sanctions Information - Subject to Secondary Sanctions; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886 [IRAN] [SDGT] [IRGC] [IFSR] (Linked To: ISLAMIC REVOLUTIONARY GUARD CORPS (IRGC)-QODS FORCE; Linked To: HIZBALLAH). -to- BANK MARKAZI JOMHOURI ISLAMI IRAN (a.k.a. BANK MARKAZI IRAN; a.k.a. CENTRAL BANK OF IRAN; a.k.a. CENTRAL BANK OF THE ISLAMIC REPUBLIC OF IRAN (Arabic: (بانک مرکزی جمهوری اسلامی ایران)), PO Box 15875/7177, 144 Mirdamad Blvd, Tehran, Iran; 213 Ferdowsi Avenue, Tehran 11365, Iran; Mirdamad Blvd, 144 - P.O. Box 15875/7/77, Tehran, Iran; Additional Sanctions Information - Subject to Secondary Sanctions; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; Digital Currency Address - TRX TNiq9AXBp9EjUqhDhrwrfvAA8U3GUQZH81; alt. Digital Currency Address - TRX TTiDLWE6fZK8okMJv6ijg42yrH6W2pjSr9 [IRAN] [SDGT] [IRGC] [IFSR] (Linked To: ISLAMIC REVOLUTIONARY GUARD CORPS (IRGC)-QODS FORCE; Linked To: HIZBALLAH).

See May 11 Nathan Decl. ¶ 7, Ex. 2.

That, in itself, is sufficient. Indeed, there is no question that Iran is a “terrorist party” under TRIA,⁵ or that the Central Bank of Iran is itself an “agency or instrumentality” of Iran under TRIA. Multiple courts have determined that the Central Bank of Iran readily meets the definition of an

⁵ That TRIA defines “terrorist party” as, *inter alia*, “a foreign state designated as a state sponsor of terrorism under section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)) or section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371),” and Iran has been designated as a state sponsor of terrorism since January 19, 1984. See *State Sponsors of Terrorism*, U.S. Department of State, <https://www.state.gov/state-sponsors-of-terrorism>.

agency or instrumentality of Iran under both the FSIA⁶ and TRIA.⁷ What is more, OFAC designated the Central Bank of Iran as a blocked entity pursuant to multiple executive orders, including Executive Orders 13,224 and 13,599, each of which seeks to designate entities and individuals that are owned and controlled by Iran and/or have materially contributed to, or assisted with, Iran’s acts of terrorism. *See* 31 C.F.R. § 535.433 (“The Central Bank of Iran (Bank Markazi Iran) is an agency, instrumentality and controlled entity of the Government of Iran for all purposes under this part.”).⁸

OFAC’s designation of the Sanctioned Wallets presumptively establishes that the Central Bank of Iran is the owner of the Sanctioned Wallets. And, lending further support, Plaintiffs’ expert Miad Maleki—a former senior official at OFAC’s Office of Global Targeting (“OGT”), the very

⁶ The Second Circuit has held that TRIA’s definition of “agency or instrumentality” “reaches more broadly” than how the language is used in the FSIA. *See Kirschenbaum I*, 830 F.3d at 132–34 (noting FSIA’s definition is cabined as an “agency or instrumentality of a foreign state” whereas TRIA’s definition is “agency or instrumentality of a terrorist party” with terrorist party including terrorists, terrorist organizations, and foreign states designated as state sponsors of terrorism, such as Iran). Accordingly, if the Central Bank of Iran is an agency or instrumentality of Iran under the FSIA, it inherently is also an agency or instrumentality of Iran under TRIA.

⁷ *See e.g., Holladay v. Islamic Republic of Iran*, 523 F. Supp. 3d 100, 114 (D.D.C. 2021) (concluding that the Central Bank of Iran “is an agency or instrumentality of Iran” under the FSIA); *Estate of Hartwick v. Islamic Republic of Iran*, 2021 WL 6805391, at *6–7 (D.D.C. Oct. 1, 2021) (finding Central Bank of Iran “constitutes an ‘agency or instrumentality’ of Iran” under the FSIA); *see also Peterson v. Islamic Republic of Iran*, 2013 WL 5538652, at *3 (S.D.N.Y. Oct. 8, 2013) (“Bank Markazi does not dispute that it is an instrumentality of Iran” under the FSIA.); *Peterson v. Islamic Republic of Iran*, 2013 WL 1155576, at *2 (S.D.N.Y. Mar. 13, 2013) (granting summary judgment on TRIA turnover claims against “Bank Markazi [] the Central Bank of Iran, an agency of the Iranian Government”); *c.f. Bank Markazi v. Peterson*, 578 U.S. 212 (2016) (ruling on other grounds, but proceeding on core premise that assets of the Central Bank of Iran are attachable under TRIA as an agency or instrumentality of Iran).

⁸ *See also Treasury Sanctions Iran’s Central Bank and National Development Fund*, U.S. DEPT. OF TREASURY (Sept. 20, 2019), <https://home.treasury.gov/news/press-releases/sm780> (sanctioning the Central Bank of Iran pursuant to E.O. 13,224 for “provid[ing] billions of dollars to the Islamic Revolutionary Guard Corps (IRGC), its Qods Force (IRGC-QF) and its terrorist proxy, Hizballah.”).

U.S. Government office charged with finding and blocking assets of Iran—concludes that given the circumstances surrounding the designations of Sanctioned Wallets, the U.S. Government has a high degree of certainty that the Sanctioned Wallets are the property of CBI. *See* Maleki Decl. ¶¶ 12–15.

As explained by Mr. Maleki, OFAC’s practice is to list wallets and other identifiers for the direct owner, and if there are intermediary owners or other indirect interests, OFAC will designate those intermediaries and list the identifier for the direct owner, not an indirect or partial owner. *Id.* ¶¶ 12, 21–23, 26, 30–32. OFAC also has the ability to block only portions of property contained in a bank account or crypto wallet, or to restrict use of a wallet in other more limited ways, if it determines ownership is partial or indirect. *Id.* ¶¶ 13, 24–25, 28. Here, in contrast, OFAC directly used these Sanctioned Wallets as an identifier for the Central Bank of Iran and no other entity, and fully blocked all the property contained in the Sanctioned Wallets. *Id.* ¶¶ 12 27–28. In addition, OFAC did not need to specifically block these funds; Tether had already agreed to freeze them. Nonetheless, OFAC made public declarations attributing the Sanctioned Wallets to Iran’s agency and instrumentality. *Id.* ¶¶ 13, 17–18, 20, 24–25, 39–40. What is more, the U.S. Government took the unusual step here to have the Secretary of the Department of the Treasury publicly announce the listing and confirm the Iranian attribution, stating that OFAC was “sanctioning multiple wallets tied to Iran” and that the action was part of a coordinated U.S. campaign to disrupt the Iranian regime’s financial networks. *Id.* ¶¶ 20, 42. According to Mr. Maleki, all of this demonstrates that OFAC, and the U.S. Government as a whole, has a high degree of confidence—likely based on classified intelligence in conjunction with publicly available data—that the Sanctioned Wallets are blocked property of CBI. *Id.* ¶¶ 12–15, 27–28, 42.

Mr. Maleki also notes that the available public sources support OFAC’s conclusion. *Id.* ¶¶ 14, 34–38, 41. Mr. Maleki discusses leaked documents published in December 2025 by Babak Zanjani, a known leader in Iranian cryptocurrency, wherein Zanjani “described stamped CBI letters documenting his sale of USDT to the Central Bank [of Iran]” which “revealed CBI’s use of [the] Informatics Services Company as an operational conduit for institutional-scale stablecoin activity.” *Id.* ¶ 35. Mr. Maleki then shows that multiple cryptocurrency analytics firms—Elliptic, Crystal Intelligence, and TRM Labs—published independent analyses tracking the Central Bank of Iran’s USDT build-up activity, assessing crypto-networks associated with likely Iranian crypto-wallets, and/or analyzing the Sanctioned Wallets post-OFAC designation. Elliptic “had documented, prior to the OFAC listing, that CBI was accumulating USDT at sovereign scale” and by January 2026 “had acquired at least \$507 million in USDT.” *Id.* ¶¶ 14, 34. Crystal Intelligence had “analyzed CBI-linked sanctions evasion infrastructure” over the past few months “and found 92–94% of inflows from uncategorized sources, systematic routing through cross-chain bridges to break traceability, and 51% of outflows going directly to OFAC-sanctioned entities.” *Id.* ¶¶ 14, 38. Prior to OFAC’s designation of the Sanctioned Wallets, TRM Labs had “independently documented a repeatable on-chain typology for CBI activity consisting of large USDT intake, structured bridge-outs . . . DeFi token transformation, fragmentation, and routing toward exchanges.” *Id.* ¶¶ 14, 30, 36. And following OFAC’s designation, TRM Labs assessed that the Sanctioned Wallets “function[ed] as receiving accounts, the entry point in a multi-step money-movement process that TRM had independently documented as a recurring pattern in CBI’s cryptocurrency operations,” patterns that are typical for CBI’s “sovereign reserve storage.” *Id.* ¶¶ 36–37.

Other public reporting also supports OFAC’s designation of the Sanctioned Wallets. On April 27, 2026, for instance, the crypto-tracing firm Chainalysis published its own analysis of the Sanctioned Wallets, comparing the Sanctioned Wallets’ ecosystem to other “similar [Central Bank of Iran] networks” used by Iran to “facilitate the purchase of stablecoins from fiat” currency. May 11 Nathan Decl. ¶ 10, Ex. 5. Chainalysis provided a map of network transactions showing how Iranian “regime actors laundered the [Iran] central bank funds through several bridges and DeFi protocols before moving the funds back into the mainstream Iranian crypto ecosystem and IRGC-affiliated entities,” much like how the TNiq and TTiD Wallets operated. *Id.* CNN quoted Chainalysis reporting that when the TNiq and TTiD Wallets “were regularly active several years ago, they engaged in frequent, large transfers up to tens of millions of dollars, largely with other private wallets” which are “patterns . . . consistent with how we’ve observed other known IRGC wallets move funds on chain.” Am. Compl. ¶ 77; May 11 Nathan Decl. ¶ 8, Ex. 3.

But OFAC’s designation is not the only act of attribution by the U.S. Government establishing the Defendants as agencies or instrumentalities of Iran. On April 23, 2026, Tether froze “more than \$344 million in USDT in coordination with OFAC and U.S. Law Enforcement.” Am. Compl. ¶ 74; May 11 Nathan Decl. ¶ 6, Ex. 1. In a press release, Tether said that the freeze—which involved the assets contained in the TNiq and TTiD Wallets—“follow[ed] information shared with Tether by several U.S. authorities about activity tied to unlawful conduct,” including “sanctions evasion, criminal networks, and other illicit activity.” Am. Compl. ¶ 74; May 11 Nathan Decl. ¶ 6, Ex. 1. Public reporting by CNN on April 24, 2026—prior to OFAC’s designation—revealed that the assets contained in the TNiq and TTiD Wallets frozen by Tether the prior day were “tied to Iran” and that “blockchain analytics experts” working with the U.S. Government “observed evidence of material links” between the Sanctioned Wallets and “the Iranian regime.”

Am. Compl. ¶¶ 76–77; May 11 Nathan Decl. ¶ 8, Ex. 3.⁹ Further, in parallel with OFAC’s designation, Treasury Secretary Bessent released a statement on X explicitly stating that the “Treasury’s Office of Foreign Assets Control is sanctioning multiple wallets tied to Iran — resulting in the freeze of \$344 million in cryptocurrency.” Am. Compl. ¶ 78; May 11 Nathan Decl. ¶ 9, Ex. 4. Mr. Maleki noted that “public statements at the Cabinet Secretary level identifying a sanctioned party are not routine adjuncts to a typical SDN update” and that the release of such a statement was a “deliberate decision” by Treasury to “put its institutional credibility behind the attribution.” Maleki Decl. ¶ 42. Mr. Maleki concluded that Secretary Bessent’s “statement itself demonstrates the strength of the attribution OFAC made when it listed” the TniQ and TTiD Wallets “as property of CBI.” *Id.*

Taken as a whole, the record overwhelmingly supports the conclusion that, under TRIA, the Defendants are an “agency or instrumentality” of Iran. *Kirschenbaum I*, 830 F.3d at 135–36. In turn, Plaintiffs will succeed on this element of their TRIA claim.

B. The Attached Property Are Blocked Assets of an Agency or Instrumentality of Iran.

Under TRIA, a “blocked asset” is “any asset seized or frozen by the United States under,” among other things, “sections 202 and 203 of [IEEPA].” TRIA § 201(d)(2)(A). The USDT stablecoin assets contained in the TNiQ and TTiD Wallets—and indeed the Sanctioned Wallets themselves—have been formally added to the SDN List by OFAC. Am. Compl. ¶¶ 2, 8, 17–18,

⁹ Additional reputable media publications have subsequently confirmed CNN’s report. *See e.g.*, Edward Lawrence & Brittany Miller, *Treasury freezes \$344M in crypto as 'Operation Economic Fury' pushes Iran to industrial breaking point*, FOX BUS. (Apr. 28, 2026), <https://www.foxbusiness.com/politics/treasury-freezes-344m-crypto-operation-economic-fury-pushes-iran-industrial-breaking-point>; Merin Rebecca Thomas, *U.S. Freezes \$344 Million in Crypto Tied to Iran Amid Escalating Regional Tensions*, INT’L.. BUS. TIMES (Apr. 24, 2026), <https://www.ibtimes.com/us-freezes-344-million-crypto-tied-iran-amid-escalating-regional-tensions-3801943>.

79; May 11 Nathan Decl. ¶ 7, Ex. 2. This alone satisfies this element of TRIA as “‘blocking’ for the purposes of the SDN list requires the Court to find that the assets are ‘blocked’ for the purposes of TRIA § 201 as well.” *In re 650 Fifth Ave.*, 2013 WL 2451067, at *4 (S.D.N.Y. June 6, 2013).

III. Statutory Grounds For Attachment Exist.

Plaintiffs also easily satisfy the requirement that statutory grounds for attachment exist. Plaintiffs satisfy CPLR 6201(1) because Defendants are “nondomiciliar[ies] residing without the state.” As discussed, OFAC’s designation of the Sanctioned Wallets as property of the Central Bank of Iran indicates that both Defendants are outside the United States and indeed are likely located in Iran itself. *See supra* Section II.A. And in any event, Plaintiffs also satisfy CPLR 6201(5), because Plaintiffs’ cause of action is based on a federal “money judgment against Iran,” which satisfies CPLR 6201(5)’s requirement that the cause of action be “based on a judgment . . . of a court of the United States.” *Levinson v. Kuwait Fin. House (Malaysia) Berhad*, 44 F.4th 91, 98 (2d Cir. 2022). There is no need for any further grounds. And finally, CPLR 6205 expressly provides that “[a]n order of attachment may be granted in aid of execution to a party that has been awarded a money judgment against a foreign state,” which is also the case here given Plaintiffs’ underlying judgments against Iran. CPLR 6205.

Further, to the extent necessary, it is probable that other than these assets, Defendants lack other “assets within the State that could satisfy a judgment,” and Plaintiffs have a reasonable fear that they will not be able to satisfy their judgments without attachment of these assets , especially given that the amount of Plaintiffs’ compensatory judgments far exceeds the amount of assets that have been identified here (or are likely to be identified in the future). Iran is a famously recalcitrant judgment debtor. *TAGC Mgmt., LLC v. Lehman*, 842 F. Supp. 2d 575, 586–87 (S.D.N.Y. 2012); *see also infra* Section V.

IV. The Amount Demanded Exceeds All Known Counterclaims.

As has been the case throughout this action, there were no counterclaims in the underlying suits against Iran and there are none here. May 11 Nathan Decl. ¶ 5.¹⁰

V. There Is a Need for Continuing the Levy.

Finally, there is also a “need for continuing the levy.” CPLR 6223(b). Plaintiffs moving to confirm attachment pursuant to §6201(1) “must show” that the attachment is needed for “security” or “jurisdictional” purposes. *See Johnson v. Papagianni*, No. 25-cv-3830 (PAE), 2026 WL 588705, at *11 (S.D.N.Y. Mar. 3, 2026). Although either is sufficient, both requirements are met here.

Here, attachment is necessary for security purposes because of the extremely high likelihood that Iran will not otherwise satisfy Plaintiffs’ judgments and the very low probability that Plaintiffs will be able to otherwise execute on assets of Iran or its agents or instrumentalities. In assessing whether attachment is necessary for security purposes, “a reviewing court must determine whether the defendant has assets within the State that could satisfy a judgment and whether [the plaintiff’s] fear that the judgment will not be satisfied is reasonable.” *TAGC Mgmt., LLC v. Lehman*, 842 F. Supp. 2d 575, 586 (S.D.N.Y. 2012); *City of Almaty, Kazakhstan v. Ablyazov*, No. 15-cv-5345 (AJN), 2020 WL 2748280, at *1 (S.D.N.Y. May 26, 2020) (attachment appropriate based on a “finding that it appears likely that [the plaintiffs] will have difficulty enforcing a judgment in the absence of attachment”) (internal quotation marks omitted). Attachment is “necessary to secure payment” where “without it there is a real risk to the enforceability of a future judgment.” *Lopez Fontana v. Argentina Republic*, No. 03-cv-08531

¹⁰ Finally, although not part of the statutory factors for a motion to confirm, the Court has approved and Plaintiffs have posted an undertaking, to the extent one is required. *See* April 26 Nathan Decl. ¶ 7.

(LAP), 2025 WL 2652734, at *11 (S.D.N.Y. Sept. 16, 2025) (internal quotation marks omitted); *see also Merrill Lynch Futures, Inc. v. Kelly*, No. 84-cv-2406 (CSH), 1984 WL 217, at *6 (S.D.N.Y. Apr. 19, 1984) (“With respect to § 6201(1)'s function as a security device, the courts focus on whether there is a likelihood that the defendant will have adequate assets within the state to respond to a judgment against him.”) (internal quotation marks omitted).

That standard is met here. Iran has a longstanding history of not satisfying judgments against it and using all available tools to avoid judgment creditors. *See, e.g., Est. of Botvin by Ellis v. Heideman, Nudelman & Kalik, P.C.*, 115 F.4th 594, 598 (D.C. Cir. 2024) (“Of course, Iran does not voluntarily pay judgments of United States courts holding it liable for acts of terrorism. So, prevailing plaintiffs must find attachable assets to seize in enforcement proceedings. Doing so is difficult because sanctions severely limit Iran's ability to conduct business in the United States. And Iran does not do so visibly.”) (citation omitted). Since 2016, Iran has owed at least \$53 billion in unpaid federal judgments in cases brought against it. May 11 Nathan Decl. ¶ 11. That number today is much higher and growing, including because it does not encompass the more than \$10 billion in unpaid judgments that Plaintiffs seek to enforce here. Plaintiffs themselves have never recovered against Iran directly. *See* May 11 Nathan Decl. ¶¶ 3, 11. Indeed, Iran’s use of cryptocurrency, including the USDT stablecoins subject to this action, is a key part of Iran’s efforts to evade U.S. sanctions and avoid the formal financial system entirely. Am. Compl. ¶¶ 65–71. Such endeavors place the vast majority of Iranian assets out of the reach of judgment creditors.

Iran’s clear intent is to never satisfy Plaintiffs’ judgment and to make it as difficult as possible for Plaintiffs to move against its assets and the assets of its agents and instrumentalities. And given the size of Plaintiffs’ judgments, there is *no* “likelihood that the defendant will have adequate assets within the state to respond to a judgment against him.” *Merrill Lynch Futures,*

Inc., 1984 WL 217, at *6 (internal quotation marks omitted). This alone justifies the continuing need for attachment and levy against the Sanctioned Wallets. *See e.g., Lopez Fontana*, 2025 WL 2652734, at *11.

Further, the vast majority of Iranian assets Plaintiffs could theoretically execute against are not only outside of New York, but outside of the jurisdictional reach of the United States entirely, and so likewise out of the reach of Plaintiffs' judgment enforcement efforts. Given the nearly 40-years of the United States's sanctions regime against Iran, there are effectively *zero* Iranian assets in the United States, with rare exceptions. Instead, Iran's assets are overseas, largely in Iran itself, far out of the reach of Plaintiffs' or other creditors' judgment enforcement efforts. This too justifies the continuing need for attachment and levy on the Defendants' Wallets. *See e.g., Papagianni*, 2026 WL 588705, at *11–12 (finding attachment necessary where “most of [party’s] assets are outside of New York” and there was “no bank nor any other financial accounts in the United States,” other than the attached property); *BSH Hausgerate, GmbH v. Kamhi*, 282 F. Supp. 3d 668, 676 (S.D.N.Y. 2017) (finding attachment necessary based on plaintiff’s “represent[ation] that, aside from the Property, Respondent’s assets are outside New York”); *Herzi v. Ateliers De La Haute-Garonne*, No. 15-cv-7702 (RJS), 2015 WL 8479676, at *3 (S.D.N.Y. Oct. 13, 2015) (“[T]he fact that the Defendant is a private, foreign company without any apparent business operations in New York increases the likelihood and ease with which Defendant could render itself judgment-proof in this jurisdiction.”); *Davila Pena v. Morgan*, 149 F. Supp. 2d 91, 93–96 (S.D.N.Y. 2001) (granting motion to confirm attachment while finding “continuing need for security” under CPLR 6201(1) where “most of [defendant’s] assets are outside New York” and the location of other assets was unknown). In short, there is a “need for continuing the levy, since there appear to be no other resources available to pay” the amounts owed by Iran to Plaintiffs on these judgments. *Siam Com.*

Bank Pub. Co. v. Bel-Aire Knitworks, Inc., No. 04-cv-10319 (AKH), 2006 WL 1816327, at *1 (S.D.N.Y. June 28, 2006). Because Iran is, for most practical purposes (and with rare exceptions like this one), “judgment-proof in this jurisdiction,” *Herzi*, 2015 WL 8479676, at *3, continuing the attachment is “is needed to secure payment.” *Cap. Ventures Int’l*, 443 F.3d 214, 222 (2d Cir. 2006).


Finally, continuing the attachment “is necessary for jurisdictional purposes.” *Papagianni*, 2026 WL 588705, at *11 (collecting cases); *Lopez Fontana*, 2025 WL 2652734, at *6–*7. Here, Plaintiffs assert *quasi in rem* jurisdiction over Defendants pursuant to FRCP 4(k)(1)(A). Am. Compl. ¶ 21. Courts have routinely held attachment necessary to secure *quasi in rem* jurisdiction in comparable situations. *See e.g., Equipav S.A. Pavimentacao, Engenharia e Comercio Ltda. v. Bertin*, 22-cv-4594 (PGG), 2024 WL 196670, at *7, **10–11 (S.D.N.Y. Jan. 18, 2024) (finding continuing attachment necessary because plaintiff “asserted . . . *quasi in rem* jurisdiction based on the assets” subject to attachment order); *Papagianni*, 2026 WL 588705, at *6, *11; *see also Unitech USA, Inc. v. Ponsoldt*, 91 A.D.2d 903, 904 (1st Dep’t 1983) (holding that “the levy should be continued,” as the “necessity of attachment as a basis for quasi-in-rem jurisdiction [was] compelling” where Defendants “vigorously assert that they are not subject to long-arm jurisdiction”).

CONCLUSION

The Order of Attachment should be confirmed.

May 11, 2026

Respectfully submitted,



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CERTIFICATE OF COMPLIANCE

Pursuant to Local Rule 7.1(c), and Rule 2(B) of the Court's Individual Practices, the undersigned certifies that the foregoing memorandum of law contains 5,602 words, as determined by the word-count function of Microsoft Word.

May 11, 2026



Aaron E. Nathan