

RELEASE IN PART
B5,B6

From: Sullivan, Jacob J <SullivanJJ@state.gov>
Sent: Tuesday, October 25, 2011 8:27 PM
To: H
Subject: FW: Amb Rice meeting with Bill Richardson on Sudan



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From: Ryu, Rexon Y
Sent: Tuesday, October 25, 2011 4:29 PM
To: McDonough, Denis R.; 'Anderson, Brooke'; Lyman, Princeton N; Carson, Johnnie; 'Harris, Grant'; Koh, Harold Hongju; Sullivan, Jacob J
Cc: Graff, Corinne
Subject: Amb Rice meeting with Bill Richardson on Sudan

All – forwarding a readout of a meeting that SER had with Bill Richardson last week. Rexon

At an October 19 meeting requested by former USUN Permrep Bill Richardson to discuss Sudan, Richardson introduced an unexpected colleague, attorney Stephen Cozen from the law firm Cozen, O'Connor. Cozen informed Ambassador Rice that his firm plans to file a motion for judgment "imminently" in the amount of \$150 billion against the Government of Sudan as part of ongoing legal proceedings by 9/11 commercial plaintiffs and families of victims against state sponsors of terrorism. Richardson and Cozen proposed that the U.S. government should use the judgment against the Government of Sudan as an additional lever in relation to the existing process underway for removing Sudan from the State Sponsors of Terrorism (SST) list. Cozen said that he would obtain the judgment regardless of any USG action, but told Rice that he had some flexibility in what he would do with the judgment once it had been obtained. He said it would be possible to attach Sudan's assets, including in foreign countries, but inferred that his preferred outcome would be for the U.S. government to use its leverage with Sudan through the process underway to remove Sudan from the SST, to convince it to resolve the judgment in espousal and executive agreements. Cozen said that despite the expected \$150 billion judgment, he thought realistically that a settlement with Sudan would result in between 5 and 10 billion dollars for the commercial plaintiffs and the 9/11 families. He emphasized that it would be important to the 9/11 families to get an "acknowledgement of responsibility" from the Government of Sudan. He also noted that the USG had required that civil claims be addressed as a condition of its resumption of bilateral relations with Libya.

Cozen explained that the basis of the federal lawsuits by the 9/11 victims was the State Sponsor of Terrorism exception of the Foreign Sovereign Immunities Act. He added that an earlier dismissal by federal courts of a lawsuit that had been filed by his firm against the government of Saudi Arabia had been based on the state sponsor exception. In dismissing the Saudi case, the Court had determined that since Saudi Arabia had not been designated a state sponsor of terrorism, it therefore could not be sued under the Act. Cozen said his firm was also engaged in proceedings against other defendants, including Dubai Islamic Bank, the Muslim World League, International Islamic Relief Organization.

Ambassador Rice indicated that she had not been aware that this had been the purpose of the meeting when she had agreed to meet with Richardson, 


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Ambassador Rice acknowledged that the issue of 9/11 accountability was sensitive and complicated. She said she had not been aware of the plaintiffs' case or their intention to seek a legal judgment against Sudan, and anticipated that other Administration policy makers may not be aware either. She said that the Administration had laid out for Sudan the legal and political steps it must take, and a timeline for their completion, to be removed from the SST list. She assessed that introducing a new condition for Sudan at this stage of the process would be complicated, if not impossible.

Cozen said he was aware of actions underway to remove South Sudan from the SST, and he suggested it would also benefit South Sudan if the issue of Sudan's liability were addressed early, since any future agreement by South Sudan to accept part of the former Sudan's sovereign debt could impact on South Sudan's debt. Ambassador Rice said she did not see why South Sudan should be liable for any potential past actions taken by Sudan in this regard.

Cozen gave Ambassador Rice the attached non-paper as an executive summary of his case.

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