

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for use of the Clerk of Court for the purpose of initiating the civil docket sheet.

NOV 10 2011

PLAINTIFFS

DEFENDANTS

IOANNIS KARDASSOPOULOS and
RON FUCHS

THE REPUBLIC OF GEORGIA

ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)

ATTORNEYS (IF KNOWN)

Blank Rome LLP, 405 Lexington Avenue, New York, NY 10174
212-885-5000 Attn: Jeremy J.O. Harwood

CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE)
(DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)

ICSID Award Enforcement: 22 U.S.C. §1650(a) and 28 U.S.C. §1605(a)(6)

Has this or a similar case been previously filed in SDNY at any time? No Yes Judge Previously Assigned _____

If yes, was this case Vol. Invol. Dismissed. No Yes If yes, give date _____ & Case No. _____

(PLACE AN [x] IN ONE BOX ONLY)

NATURE OF SUIT

TORTS		ACTIONS UNDER STATUTES			
CONTRACT	PERSONAL INJURY	PERSONAL INJURY	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
[] 110 INSURANCE	[] 310 AIRPLANE	[] 362 PERSONAL INJURY -	[] 610 AGRICULTURE	[] 422 APPEAL	[] 400 STATE
[] 120 MARINE	[] 315 AIRPLANE PRODUCT	[] 365 MED MALPRACTICE	[] 620 OTHER FOOD &	28 USC 158	REAPPORTIONMENT
[] 130 MILLER ACT	LIABILITY	[] 368 PERSONAL INJURY	DRUG	[] 423 WITHDRAWAL	[] 410 ANTITRUST
[] 140 NEGOTIABLE	[] 320 ASSAULT, LIBEL &	PRODUCT LIABILITY	[] 625 DRUG RELATED	28 USC 157	[] 430 BANKS & BANKING
INSTRUMENT	SLANDER	[] 368 ASBESTOS PERSONAL	SEIZURE OF		[] 450 COMMERCE
[] 150 RECOVERY OF	[] 330 FEDERAL	INJURY PRODUCT	PROPERTY	PROPERTY RIGHTS	[] 460 DEPORTATION
OVERPAYMENT &	EMPLOYERS'	LIABILITY	21 USC 881		[] 470 RACKETEER INFLU-
ENFORCEMENT	LIABILITY		[] 630 LIQUOR LAWS		ENCED & CORRUPT
OF JUDGMENT	[] 340 MARINE	PERSONAL PROPERTY	[] 640 RR & TRUCK	[] 820 COPYRIGHTS	ORGANIZATION ACT
[] 151 MEDICARE ACT	[] 345 MARINE PRODUCT		[] 650 AIRLINE REGS	[] 830 PATENT	(RICO)
[] 152 RECOVERY OF	LIABILITY	[] 370 OTHER FRAUD	[] 660 OCCUPATIONAL	[] 840 TRADEMARK	[] 480 CONSUMER CREDIT
DEFAULTED	[] 350 MOTOR VEHICLE	[] 371 TRUTH IN LENDING	SAFETY/HEALTH		[] 490 CABLE/SATELLITE TV
STUDENT LOANS	[] 355 MOTOR VEHICLE	[] 380 OTHER PERSONAL	[] 690 OTHER	SOCIAL SECURITY	[] 810 SELECTIVE SERVICE
(EXCL VETERANS)	PRODUCT LIABILITY	PROPERTY DAMAGE			[] 850 SECURITIES/
[] 153 RECOVERY OF	[] 360 OTHER PERSONAL	PROPERTY DAMAGE	LABOR	[] 861 HIA (1395ff)	COMMODITIES/
OVERPAYMENT	INJURY	PRODUCT LIABILITY		[] 862 BLACK LUNG (923)	EXCHANGE
OF VETERAN'S			[] 710 FAIR LABOR	[] 863 DIWC/DIWW (405(g))	[] 875 CUSTOMER
BENEFITS	ACTIONS UNDER STATUTES		STANDARDS ACT	[] 864 SSID TITLE XVI	CHALLENGE
[] 160 STOCKHOLDERS	CIVIL RIGHTS	PRISONER PETITIONS	[] 720 LABOR/MGMT	[] 865 RSI (405(g))	12 USC 3410
SUITS	[] 441 VOTING	[] 510 MOTIONS TO	RELATIONS		<input checked="" type="checkbox"/> 890 OTHER STATUTORY
[] 190 OTHER	[] 442 EMPLOYMENT	VACATE SENTENCE	[] 730 LABOR/MGMT	FEDERAL TAX SUITS	ACTIONS
CONTRACT	[] 443 HOUSING/	28 USC 2255	REPORTING &	[] 870 TAXES (U.S. Plaintiff or	[] 891 AGRICULTURAL ACTS
CONTRACT	ACCOMMODATIONS	[] 530 HABEAS CORPUS	DISCLOSURE ACT	Defendant)	[] 892 ECONOMIC
PRODUCT	[] 444 WELFARE	[] 535 DEATH PENALTY	[] 740 RAILWAY LABOR ACT	[] 871 IRS-THIRD PARTY	STABILIZATION ACT
LIABILITY	[] 445 AMERICANS WITH	[] 540 MANDAMUS & OTHER	[] 790 OTHER LABOR	26 USC 7609	[] 893 ENVIRONMENTAL
[] 196 FRANCHISE	DISABILITIES -	[] 550 CIVIL RIGHTS	LITIGATION		MATTERS
	EMPLOYMENT	[] 555 PRISON CONDITION	[] 791 EMPL RET INC		[] 894 ENERGY
	[] 446 AMERICANS WITH		SECURITY ACT		ALLOCATION ACT
	DISABILITIES -OTHER	IMMIGRATION			[] 895 FREEDOM OF
	[] 440 OTHER CIVIL RIGHTS	[] 462 NATURALIZATION			INFORMATION ACT
REAL PROPERTY		APPLICATION			[] 900 APPEAL OF FEE
[] 210 LAND		[] 463 HABEAS CORPUS-			DETERMINATION
CONDEMNATION		ALIEN DETAINEE			UNDER EQUAL
[] 220 FORECLOSURE		[] 465 OTHER IMMIGRATION			ACCESS TO JUSTICE
[] 230 RENT LEASE &		ACTIONS			[] 950 CONSTITUTIONALITY
EJECTMENT					OF STATE STATUTES
[] 240 TORTS TO LAND					
[] 245 TORT PRODUCT					
LIABILITY					
[] 290 ALL OTHER					
REAL PROPERTY					

Check if demanded in complaint:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DO YOU CLAIM THIS CASE IS RELATED TO A CIVIL CASE NOW PENDING IN S.D.N.Y.? IF SO, STATE:

DEMAND \$ _____ OTHER _____ JUDGE _____ DOCKET NUMBER _____

Check YES only if demanded in complaint

JURY DEMAND: YES NO

NOTE: Please submit at the time of filing an explanation of why cases are deemed related.

ORIGINAL

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The Chrysler Building
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JUDGE CROTTY

11 CIV 8160

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IOANNIS KARDASSOPOULOS and
RON FUCHS,

Plaintiffs,

v.

THE REPUBLIC OF GEORGIA,

Defendant.

Civil Action No.

VERIFIED COMPLAINT

S.D. OF N.Y.

2011 NOV 10 PM 4:38

FEDERAL COURT

Plaintiffs IOANNIS KARDASSOPOULOS and RON FUCHS (collectively "Plaintiffs"), by their attorneys Blank Rome LLP, complaining of the above-named Defendant THE REPUBLIC OF GEORGIA ("Georgia" or Defendant"), allege upon information and belief as follows:

1. This is an action for the recognition and enforcement of an arbitral award issued by the International Centre for Settlement of Investment Disputes ("ICSID"), 1818H Street N.W., Washington, D.C. 20433 on March 3, 2010 in favor of Plaintiffs and against Defendant (the "Award").

PARTIES AND JURISDICTION

- 2. Plaintiff Ioannis Kardassopoulos ("Kardassopoulos") is a citizen of Greece.
- 3. Plaintiff Ron Fuchs ("Fuchs") is a citizen of Israel.

4. Defendant is a foreign state.

5. This Court has subject matter jurisdiction over this action to recognize and enforce the Award pursuant to the “Convention on the Settlement of Investment Disputes Act of 1966”, 17 U.S.T. 1270, 575 U.N.T.S. 159 (“Convention”) and 22 U.S.C. § 1650a (a) and (b).

6. The Court has personal jurisdiction over Georgia pursuant to 28 U.S.C. § 1330(a).

7. Plaintiffs will serve Georgia with a copy of the summons and verified complaint, and such other required documents, pursuant to 28 U.S.C. § 1608.

THE UNDERLYING DISPUTE

8. After achieving independence from the Soviet Union in April, 1991, Georgia sought investments to develop a transit corridor to transport oil and gas from Azerbaijan to the Black Sea, known as the “Western Route.”

9. In furtherance of that goal, Georgia’s state-owned oil company, SakNavtobi, entered into a joint venture Agreement dated March 3, 1992 (“Joint Venture”) with Tramex International Inc., a company jointly owned by Plaintiffs. The Joint Venture provided for, among other things, “the sole and exclusive right of first refusal in the Republic of Georgia to participate or implement any other Oil and Gas related projects in the Republic of Georgia.” Joint Venture Agreement, ¶ 3.6. The Joint Venture further provided: “All property owned, leased or used by the Joint Venture is not subject to expropriation, confiscation or nationalization.” *Id.*, ¶ 12.1

10. On February 20, 1996, Georgia cancelled “all rights (given earlier by the Georgian government to any of the parties)” and expropriated the entire Joint Venture.

THE ARBITRATION PROCEEDINGS

11. After years of negotiating potential payments to Plaintiffs as a result of Georgia's expropriation, Plaintiffs submitted separate requests for arbitration to the ICSID. On September 14, 2007 ICSID confirmed that both arbitration proceedings would run concurrently and be heard together.

12. ICSID issued the Award which awarded:

- (a) Kardassopoulos and Fuchs \$15.1 million each;
- (b) Interest on the principal sums awarded from February 20, 1996 to February 28, 2010 in the amount of \$30,024,736.83 each for a total sum payable to each \$45,124,736.83;
- (c) Interest on the principal sums at the rate of LIBOR in effect at the date of issuance of the Award plus four percent (4%), compounded semi-annually from the date of issuance of the Award at the six-month term LIBOR rate for U.S. dollar deposits published by the Wall Street Journal, plus four percent (4%), and such interest rate reset semi-annually to the current six-month LIBOR rate in effect each January 1 and July 1 until such time as the Award is satisfied in full;
- (d) Costs of the ICSID arbitration in the total sum of \$7,942,297.

13. Following the issuance of the Award, Georgia filed successive applications to annul and/or revise the Award and obtained a provisional stay in January, 2011, conditioned on Georgia posting an unconditional and irrevocable bank guarantee ("Guarantee") in the amount of \$50 million. On June 7, 2011, after Georgia wrote to confirm that it would not post the Guarantee, ICSID by decision dated June 7, 2011 terminated the stay.

COUNT I
FOR RECOGNITION OF THE AWARD

14. Plaintiffs repeat paragraphs 1 through 13 as if set forth in full here.

15. The United States, where the Award was issued, Israel and Greece, the countries of which Plaintiffs are citizens, and Georgia are all signatories of the Convention.

16. 22 U.S.C. § 1650a governs “Arbitration awards under the Convention” and provides:

An award of an arbitral tribunal rendered to chapter IV of the [C]onvention shall create a right arising under a treaty of the United States. The pecuniary obligations imposed by such an award shall be enforced and shall be given the same full faith and credit as if the award were a final judgment of a court of general jurisdiction of one of the several States. The Federal Arbitration Act (9 U.S.C. 1 et seq.) shall not apply to enforcement of awards rendered pursuant to the [C]onvention.

17. Plaintiffs seek recognition and enforcement of the Award as a money judgment of this Court.

18. France, The Netherlands, and The United Kingdom are also signatories to the Convention, and have recognized the Award as a judgment pursuant to Article 54 thereof.

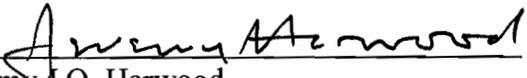
PRAYER FOR RELIEF

WHEREFORE, Plaintiffs request the following relief: (1) An order recognizing the Award as a judgment of this Court in the amounts set forth therein; (2) costs incurred in this recognition and enforcement proceeding, including reasonable attorneys fees; (3) post-judgment interest; and (4) such other and further relief as the Court may deem just and proper.

Date: November 10, 2011
New York, New York

Respectfully submitted,

BLANK ROME LLP

By: 
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Attorney for Plaintiffs

VERIFICATION

STATE OF NEW YORK)

: ss.:

COUNTY OF NEW YORK)

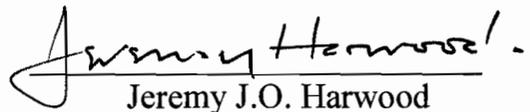
Jeremy J.O. Harwood, being duly sworn, deposes and says:

1. I am a member of the bar of this Honorable Court and of the firm of Blank Rome LLP, attorneys for Plaintiffs.

2. I have read the foregoing Verified Complaint and I believe the contents thereof are true.

3. The sources of my information and belief are documents provided to me and statements made to me by representatives of Plaintiffs.

4. The reason this Verification is made by deponent and not by Plaintiffs is that they are foreign citizens, neither of whom are within this jurisdiction.


Jeremy J.O. Harwood

Sworn to before me this
10th day of November, 2011



Notary Public

KARL V. REDA
Notary Public, State of New York
No. 30-4783126, Qual. in Nassau Cty.
Certificate Filed in New York County
Commission Expires *Nov. 30, 2013*