

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

BLASKET RENEWABLE INVESTMENTS, LLC,

Petitioner,

v.

KINGDOM OF SPAIN,

Respondent.

Civil Action No. 20-1081 (BAH)

Judge Beryl A. Howell

MEMORANDUM AND ORDER

Over a decade ago, renewable energy investors from the Netherlands and Luxembourg initiated arbitration against respondent, the Kingdom of Spain (“Spain”), for withdrawing certain renewable energy incentives, in violation of the Energy Charter Treaty, to which Spain, the Netherlands, and Luxembourg are parties. *See Blasket Renewable Invs. LLC v. Kingdom of Spain (“Blasket I”)*, No. 20-cv-1081 (BAH), 2025 WL 3516146, at *1-2 (D.D.C. Sept. 11, 2025), ECF No. 97. Despite obtaining an arbitration award in 2020 and having that arbitration award confirmed and final judgment entered by this Court in September 2025, *see id.*, litigation continues. Since Spain refuses to either pay the judgment or post a supersedeas bond, *see Blasket Renewable Invs., LLC v. Spain (“Blasket II”)*, No. 20-cv-1081 (BAH), 2026 WL 1236125, at *2 (D.D.C. Apr. 10, 2026), petitioner, Blasket Renewable Investments, LLC, who acquired the interest in the arbitral award from the original investors, *see Blasket I*, 2025 WL 3516146, at *2, seeks to attach Spain’s assets in satisfaction of judgment and has sought post-judgment discovery, pursuant to Federal Rule of Civil Procedure 69(a)(2), to identify such attachable assets, *see Parties’ Email to Ct.* (May 20, 2026) (“Parties’ Email to Ct.”) at 1, ECF No. 127.

Now pending before the Court are two remaining discovery disputes that are winnowed down from the myriad issues presented at an over two-hour hearing on May 29, 2026, *see Minute*

Entry (May 29, 2026); Hr’g Tr. (May 29, 2026) (“Hr’g Tr.”) at 1, 76, ECF No. 137, and that the parties remain unable to resolve through conferral, as reflected in supplemental briefing submitted by the parties. These two issues are: (1) Spain’s objection to petitioner’s efforts to seek discovery directly from two Spanish entities, the Sociedad Estatal de Participaciones Industriales (“SEPI”) and Instituto Cervantes, *see* Parties’ Email to Ct. at 10-11; Spain’s Br. on Why SEPI & Instituto Cervantes Should Not Be Subject to Discovery Requests Directed to Spain (“Spain’s Entities Br.”), ECF No. 128; Pet’r’s Resp. to Spain’s Entities Br. (“Pet’r’s Entities Br.”), ECF No. 130, and (2) Spain’s motion to quash two third-party subpoenas directed to Raytheon Co. and Palantir Technologies Inc., *see* Spain’s Mot. to Quash & for Protective Order as to Subpoenas Served on Raytheon and Palantir (“Spain’s Quash Mot.”), ECF No. 129; Pet’r’s Opp’n to Spain’s Mot. to Quash (“Pet’r’s Quash Opp’n”), ECF No. 133; Spain’s Reply in Support of Mot. to Quash (“Spain’s Quash Reply”), ECF No. 134.

For the reasons explained herein, Spain’s objection to treating SEPI and Instituto Cervantes as judgment-debtor parties, along with Spain, for purposes of discovery, is sustained without prejudice, pending further discovery regarding the relationship between these entities and Spain; and Spain’s motion to quash third-party subpoenas directed to two of Spain’s defense contractors is granted, without prejudice, to prioritize discovery of less sensitive information for identification of sufficient assets to cover the outstanding judgment.

I. BACKGROUND

In October 2015, petitioner’s predecessors-in-interest, which were companies that had invested in renewable energy projects in Spain, pursued arbitration against Spain, alleging that Spain had withdrawn certain renewable energy incentives in violation of the Energy Charter Treaty (“ECT”). *Blasket I*, 2025 WL 3516146, at *1. After more than four years of arbitration, in January 2020, the International Centre for Settlement of Investment Disputes (“ICSID”), the arbitral forum

chosen by the investors, ruled in the investors' favor, awarding them €77 million in damages, pre- and post-award interest on those damages, and arbitration costs. *Id.* In April 2020, the investors filed the instant case to confirm and enforce the ICSID award, because the United States is a signatory to the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States, which requires the United States to enforce arbitral awards issued by ICSID except under very limited circumstances. *Id.* at *2. While that litigation was pending, the investors assigned their interest in the arbitral award and the subsequent litigation to Basket, now the named petitioner in this case. *Id.*

After multiple stays requested by one or both parties, in September 2025, this Court denied Spain's Motion to Dismiss ("Resp.'s MTD"), ECF No. 44; granted petitioner's Cross-Motion for Summary Judgment in favor of granting the petition to enforce the arbitral award, ECF No. 51; and entered judgment "in favor of petitioner recognizing and confirming the ICSID's Award, including €77,000,000 in damages, interest on those damages from June 20, 2014, to January 21, 2020, at 1.16% per annum compounded monthly, and from January 21, 2020, to the date of payment at 2.16% per annum compounded monthly, and €2,515,291.69 in arbitration costs, as calculated in the Award." *Basket I*, 2025 WL 3516146, at *9 (citations omitted).

Spain, having repeatedly expressed its view that the law of the European Union prohibits payment of the judgment, timely appealed this Court's decision. Not. of Appeal, ECF No. 99; *see also* Resp.'s MTD at 32 ("Spain is bound by a Decision of the European Commission prohibiting Spain from paying the pecuniary obligations that the Award imposes."); Resp.'s Supp. Br. in Support of Resp.'s Mot. to Dismiss & Opp'n to Pet'r's Cross-Mot. for Summ. J. at 21, ECF No. 82 ("EU law prohibits Spain from paying the award unless and until the [European Commission] grants approval to do so." (cleaned up)); Resp.'s Not. Supp. Auth. at 2, ECF No. 90 ("[T]he

[European] Commission ordered Spain to ensure that no payment, implementation or execution of the award is . . . effected.” (cleaned up)); Resp.’s Mem. in Support of Resp.’s Mot. to Stay Enforcement of J. & Quash Subpoenas (“Resp.’s Stay Mem.”) at 2, ECF No. 112-1 (similar). That appeal remains pending.

Meanwhile, from petitioner’s viewpoint, Spain has made no efforts to pay the judgment and has not posted a supersedeas bond. Pet’r’s Cross-Mot. for Relief Pursuant to 28 U.S.C. § 1610(c) & 28 U.S.C. § 1963 (“Pet’r’s §§ 1610, 1963 Mot.”) at ii, ECF No. 116. As such, petitioner began attempting to identify Spain’s assets that could be attached and executed on in satisfaction of judgment. To this end, petitioner, on October 28, 2025, sent Spain 37 interrogatories and 36 requests for documents about the location of Spain’s assets, and between November 3 and 13, 2025, sent third-party subpoenas, pursuant to Federal Rule of Civil Procedure 45, to six banks and the Clearing House Payments Company, also seeking information about Spain’s assets and transactions. Parties’ Email to Ct. at 1; *see also* Spain’s Mot. to Stay Enforcement of J. & Quash Subpoenas (“Spain’s First Quash Mot.”), Exs. F-K, Bank Subpoenas, ECF Nos. 112-4 to -9; Spain’s Mot. to Quash Clearing House Subpoena (“Spain’s Clearing House Mot.”), Ex. A, Clearing House Subpoena, ECF No. 107-2. Spain moved to quash the discovery requests and third-party subpoenas. *See* Spain’s First Quash Mot.; Spain’s Clearing House Mot. In response, petitioner opposed the quashing motion and sought permission from the Court (1) to attach and execute on Spain’s assets, which permission is required by 28 U.S.C. § 1610(c), and (2) to register the judgment in other judicial districts, pursuant to 28 U.S.C. § 1963. Pet’r’s §§ 1610, 1963 Mot. In April 2026, the Court granted permission to petitioner as to both its requests, and denied the quashing motion without prejudice, instructing the parties to further confer about discovery now that petitioner had permission to attach Spain’s assets. *Blasket II*, 2026 WL 1236125, at *3 n.3, 9.

On May 20, 2026, the parties submitted to the Court, via email, a lengthy list of discovery disputes which they had been unable to resolve, in compliance with the discovery dispute procedure required in the Court's Standing Order ¶ 9, ECF No. 41. At the hearing held on May 29, 2026, *see* Minute Order (May 22, 2026) (scheduling discovery hearing), certain issues were resolved and the parties requested additional time to confer about other issues.

Specifically, among the issues resolved were, first, Spain's request for a 90-day stay on third-party discovery, including the third-party subpoenas issued by petitioner in November to six banks and the Clearinghouse Payments Company, "while Spain proceeds with its own rolling production." Parties' Email to Ct. at 4. Although this request was in contrast to Spain's earlier motions to quash the subpoenas to the financial institutions entirely, Federal Rule of Civil Procedure 69(a)(2) makes clear that "[i]n aid of the judgment or execution, the judgment creditor or a successor in interest whose interest appears of record may obtain discovery from *any person*—including the judgment debtor—as provided in these rules or by the procedure of the state where the court is located," FED. R. CIV. P. 69(a)(2) (emphasis added). Spain raised no issue with petitioner's compliance with Federal Rule of Civil Procedure 45 in issuing the third-party subpoenas. *See* Hr'g Tr. at 30:8-14 (Spain's counsel responding "no" when asked if Spain had "any challenge to the appropriateness of the Rule 45 subpoenas or that they weren't served properly"). Therefore, Spain's request for a stay on third-party discovery was denied. *See* Hr'g Tr. 31:1-4; Minute Order (May 29, 2026).

Second, Spain sought to delay providing bank account records for Spain's Ministry of Defence, since such records "present[] uniquely sensitive concerns," Parties' Email to Ct. at 10, and the FSIA exempts from attachment "property [that] is, or is intended to be, used in connection with a military activity and . . . is of a military character, or . . . is under the control of a military

authority or defense agency,” 28 U.S.C. § 1611(b)(2). Spain conceded at the hearing that records of the Ministry of Defence are “not off limits entirely, . . . but with respect to both proportionality and to timing,” urged that petitioner be required to seek assets from other Spanish ministries first before seeking them from the Spanish military. Hr’g Tr. 52:7-11. As the Second Circuit held in a similar dispute involving a foreign sovereign, however, rather than exempting entire categories of information from discovery altogether, “[i]nsofar as the discovery demands reach . . . *property* that is immune from attachment, [the foreign sovereign judgment debtor] should object if and when appellees actually seek to execute on such property; its ‘self-serving legal assertion’ of immunity does not entitle it to withhold otherwise discoverable information,” and “[i]nsofar as the discovery demands reach . . . *documents* that may be privileged or ‘inviolable’ . . . , [the foreign sovereign judgment debtor] should present its objections to the district court in the form of assertions of privilege or inviolability.” *Aurelius Cap. Master, Ltd. v. Republic of Argentina*, 589 F. App’x 16, 17 (2d Cir. 2014) (emphasis in original) (quoting *Republic of Argentina v. NML Cap., Ltd.*, 573 U.S. 134, 145 (2014)). Thus, Spain’s request to delay or avoid discovery of assets or records held by the Ministry of Defence was denied. Rgh Hr’g Tr. at 57:22-58:3. Following post-hearing conferral, the parties indicated they had agreed upon an appropriate schedule and that Spain would produce the Ministry of Defence’s bank records by July 31, 2026. *See* Jt. Status Report (June 5, 2026) ¶ 3, ECF No. 132.

Third, parties disputed how far back in time discovery should reach, particularly with regard to discovery of bank transfers and other similar records. Parties’ Email to Ct. at 6-7. Petitioner advocated discovery dating back to January 1, 2024, whereas Spain advocated discovery dating back to January 1, 2025. *Id.* At the hearing, the Court emphasized that the purpose of discovery is to identify where assets are *currently*, to allow for attachment. Hr’g Tr. at 33:1-7.

Following post-hearing conferral, parties agreed that discovery will extend back only to the date of judgment, September 11, 2025. Jt. Status Report (June 5, 2026) ¶ 2.

Fourth, parties disputed the appropriate procedure for Spain to designate documents produced in discovery as “attorneys’-eyes-only” (“AEO”) and thus not to be shared with petitioner itself. Parties’ Email to Ct. at 3-4. While both parties agreed that such a designation might be appropriate under some circumstances, petitioner wanted Spain to seek approval from either petitioner or the Court before making such a designation. *Id.* Surprisingly, neither party had proposed a definition of what information would qualify for the AEO designation. *Id.*; *see also* Hr’g Tr. at 7:24-25:9. The Court cautioned the parties that the D.C. Circuit has instructed courts to “be . . . chary of issuing protective orders that restrict the ability of counsel and client to consult with one another,” and that a satisfactorily limited definition of “AEO” would need to be adopted in any protective order based on the requirements described in *Doe* for AEO protective orders. Hr’g Tr. at 18:6-9 (quoting *Doe v. Dist. of Columbia*, 697 F.2d 1115, 1119 (D.C. Cir. 1983)). Following post-hearing conferral, the parties proposed a protective order that adopts a definition of “AEO” incorporating the factors laid out in *Doe* and that allows Spain to make initial designations of AEO with a contemporaneously provided explanation for why materials fall into that category. Jt. Status Report (June 5, 2026) ¶ 1; *see also* Protective Order, ECF No. 135.

Fifth, parties disagreed about the timeline on which Spain should make productions, Parties’ Email to Ct. at 7-8, though, notably, the parties’ competing schedules concluded discovery only three months apart from each other, in a case that has been pending before this Court for nearly six years, Hr’g Tr. at 34:24-35:2. Following post-hearing conferral, the parties agreed to a schedule proposed by Spain, in which productions will conclude in September 2026. Jt. Status Report (June 5, 2026) ¶ 3. Additionally, petitioner agreed to narrow certain extremely broad

interrogatories about Spain's assets and contracts in certain countries identified by petitioner, making speedier production more feasible. *Id.* ¶ 4.

With these five issues either resolved at the hearing or through post-hearing conferral, two issues remain. First, Spain objects to discovery petitioner seeks about two entities—the Sociedad Estatal de Participaciones Industriales (“SEPI”) and Instituto Cervantes. *See Parties’ Email to Ct.* at 8-14. Instituto Cervantes is “a collection of cultural centers across the United States that promote the study and use of Spanish,” and SEPI “is a state-owned industrial holding company that operates in accordance with private law.” *Id.* at 10. Prior to the hearing, parties communicated two disputes over discovery about these two entities. First, parties disputed whether Spain’s production of ten publicly available statutes and other government documents was sufficient to show the relationship between Spain and these entities, with petitioner declaring this documentation was insufficient and seeking supplementation with production of “all communications” since January 1, 2024, between these two entities and certain Spanish ministries with which they are associated. *Parties’ Email to Ct.* at 8-9. Spain clarified at the hearing, however, that while not necessarily objecting to providing more documents, “the first time [Spain] ever heard that [petitioner was] dissatisfied” with Spain’s production of the ten publicly available documents “was in the joint letter submission” to the Court, Hr’g Tr. 68:7-9, and further that Spain was willing to provide “additional information” about the “separate juridical status of those entities,” *id.* at 67:2, 6.¹ Second, despite the seemingly vanishing disagreement about the production of communications between Spain and these two entities, the parties continue to disagree whether these entities should be subject to party discovery as part of Spain, or whether

¹ To the extent parties still disagree about the appropriate scope of discovery of communications between Spain and these two entities, they do not raise the issues in supplemental briefing. *See generally* Spain’s Entities Br.; Pet’r’s Entities Br. The Court therefore assumes this dispute has been resolved through conferral.

petitioner would instead have to pursue third-party discovery to obtain documents or information held solely by these entities. Parties' Email to Ct. at 10-14. The parties were directed to submit supplemental briefing on these issues, unless a resolution was reached through conferral. Minute Order (May 29, 2026).

Additionally, a seventh issue was raised for the first time at the hearing because the dispute had "arisen since the parties submitted" their disputes to the Court: petitioner issued third-party subpoenas, pursuant to Federal Rule of Civil Procedure 45, to Raytheon and Palantir, "seeking information tied directly to the military defense systems that protect Spain's citizens." Hr'g Tr. at 75:7-11 (Spain's counsel raising dispute). As directed by the Court, following the hearing, Spain filed a motion to quash these subpoenas, which motion is now pending before the Court. *See* Spain's Quash Mot.

Thus, the two disputes still pending before the Court are the extent to which SEPI and Instituto Cervantes are subject to post-judgment discovery, and Spain's motion to quash the third-party subpoenas issued to Spain's defense contractors, Raytheon and Palantir.

II. LEGAL STANDARD

"In aid of the judgment or execution, the judgment creditor . . . may obtain discovery from any person—including the judgment debtor—as provided in these rules or by the procedure of the state where the court is located." FED. R. CIV. P. 69(a)(2). "The rules governing discovery in postjudgment execution proceedings are quite permissive." *NML Cap.*, 573 U.S. at 138. "There is no . . . [Foreign Sovereign Immunities Act ("FSIA")] provision forbidding or limiting discovery in aid of execution of a foreign-sovereign judgment debtor's assets," *id.* at 142, meaning that the same broad post-judgment discovery rules that apply to private judgment-debtors apply to foreign sovereign judgment debtors. "Due respect for the actions taken by foreign sovereigns and for principles of comity between nations," however, require consideration of sovereign interests in the

ordering and conduct of discovery. *First Nat. City Bank v. Banco Para El Comercio Exterior de Cuba* (“*Bancec*”), 462 U.S. 611, 626 (1983).

III. DISCUSSION

The pending discovery dispute about the extent to which SEPI and Instituto Cervantes are subject to post-judgment discovery is addressed first, followed by Spain’s motion to quash the third-party subpoenas issued to two defense contractors.

A. SEPI and Instituto Cervantes

The discovery dispute of whether SEPI and Instituto Cervantes should be included in the definition of “Spain” for the purposes of petitioner’s discovery requests is relatively narrow, since “Spain has agreed to produce discovery relating to Spain’s relationship with these two entities,” as well as “all contracts, memorand[a] of understanding, and financial agreements between Spain and SEPI or Instituto Cervantes for the period from January 1, 2025 to the time of disclosure and all payments from SEPI or Instituto Cervantes to Spain, or vice versa, for the period from January 1, 2025 to the time of disclosure.” Spain’s Entities Br. at 1, 4 (internal quotation marks omitted and alterations accepted). Spain also “does [not] generally seek to exclude information about its own assets held by SEPI or Instituto Cervantes from the scope of discovery, so long as that information is within Spain’s custody and control.” *Id.* at 8. Thus, this dispute boils down to “whether SEPI and Instituto Cervantes are properly included in the definition of ‘Spain’ and therefore subject to the same scope of discovery to which Spain itself is subject.” *Id.* In concrete terms, Spain objects only to the production of information and documents which are not under the “custody and control” of Spain itself (exclusive of SEPI and Instituto Cervantes), and instead are possessed only by one of those entities. *Id.* Spain does not object to turning over any information Spain possesses about

these entities, their assets, or their relationship to Spain, only to compelling these entities to participate in discovery *as if part of* the judgment debtor.

Both parties agree that SEPI and Instituto Cervantes are “juridically separate” from Spain, *see* Pet’r’s Entities Br. at 5; Spain’s Entities Br. at 1, meaning that they are “separate and distinct . . . entit[ies] [from Spain] under the laws of the state that owns” them (*i.e.*, Spain), *Bancec*, 462 U.S. at 619 (internal quotation marks omitted). Given this fact that these entities are juridically separate from Spain, to treat them as part of Spain subject to direct party discovery, Spain insists that petitioner “must demonstrate that [these entities] are alter egos of Spain.” Spain’s Entities Br. at 8-9. Spain, which has the informational upper hand inherent in knowing everything about its own relationship to these two entities, argues vigorously that SEPI and Instituto Cervantes are “not Spain’s alter ego[s].” *Id.* at 10 (capitalization altered). Petitioner, conversely, is “not asking [the Court] to decide that issue now,” Hr’g Tr. 61:2-3, acknowledging that additional discovery is necessary to assess whether these entities “may be alter egos of Spain,” Pet’r’s Entities Br. at 9; Hr’g Tr. 61:2-3, and is seeking both the communications between Spain and these entities, *see supra* n.1, and the contracts, memoranda, and transactions between Spain and these entities, which Spain has agreed to provide.

Petitioner’s position became clearer in supplemental briefing. In petitioner’s view, these entities are subject to discovery directed at Spain, even without deciding the alter ego issue, because these entities “are far more closely tied to the Spanish government than a typical state-owned company,” and therefore “likely hold property in which Spain has a beneficial ownership interest” subject to attachment. Pet’r’s Entities Br. at 1. On this basis, petitioner seeks discovery directly from SEPI and Instituto Cervantes, citing cases in which Judges, in this District and elsewhere, held that “discovery regarding nonparty state-controlled entities is permissible because

they may hold attachable assets or possess relevant information about a sovereign party's assets.” Pet'r's Entities Br. at 6 (quoting *Tatneft v. Ukraine*, No. 17-cv-582 (CKK), 2021 WL 5353024, at *6-7 (D.D.C. Oct. 18, 2021)); *id.* at 6-7 (citing *Aurelius Cap.*, 589 F. App'x 16; *Amduso v. Republic of Sudan*, 288 F. Supp. 3d 90 (D.D.C. 2017); *LLC SPC Stileks v. Republic of Moldova*, No. 14-cv-1921 (CRC), 2023 WL 2610501 (D.D.C. Mar. 23, 2023)). Following these cases, petitioner argues SEPI and Instituto Cervantes may be subject to direct discovery to the same extent as other Spanish ministries, without an alter ego finding. *Id.*

To be sure, these cases stand for the proposition that petitioner is entitled to discovery from Spain “regarding” SEPI and Instituto Cervantes, insofar as Spain has such information. *See Tatneft*, 2021 WL 5353024, at *7; *see also Amduso*, 288 F. Supp. 3d at 96 (allowing discovery from Sudan of information “regarding those [separate juridical] entities’ recent transactions” (emphasis added)); *Stileks*, 2023 WL 2610501, at *6 (allowing discovery from foreign sovereign judgment-debtor “about property held by such instrumentalities” (emphasis added)); *Aurelius*, 589 F. App'x at 18 (allowing discovery from foreign sovereign judgment-debtor “that concerns entities legally distinct from Argentina” (emphasis added)). Spain has already agreed, however, to produce information “regarding,” “concern[ing],” and “about” SEPI and Instituto Cervantes. Spain objects only to discovery of documents not under Spain's custody or control, which therefore only could be produced directly by SEPI or Instituto Cervantes, because Spain insists these entities are not alter egos of Spain, and that Spain “does not operate the type of control [over these entities] that . . . is required for the documents [the entities] may have to be within the . . . possession, custody or control” of Spain. Hr'g Tr. at 65:20-23.

Spain's objection is sustained, at least at this stage without a determination as to whether these entities are alter egos of Spain or whether Spain sufficiently controls these entities to demand

that they turn over documents at Spain’s command. While “[t]he rules governing discovery in postjudgment execution proceedings are quite permissive,” *NML Cap.*, 573 U.S. at 138, post-judgment discovery must nonetheless follow normal discovery rules, FED. R. CIV. P. 69(a)(2), which distinguish between discovery directly from a party, and discovery from third parties in the form of subpoenas. While petitioner is entitled to “sweeping” discovery directed at Spain itself, *NML Cap.*, 573 U.S. at 146, including for information about “[p]roperty that is legally owned by SEPI or Instituto Cervantes [but] may be beneficially owned . . . by Spain,” Pet’r’s Entities Br. at 8, as well as any information Spain has a “legal right to obtain . . . on demand,” *Amduso*, 288 F. Supp. 3d at 96 (quoting *D.L. v. Dist. of Columbia*, 251 F.R.D. 38, 46 (D.D.C. 2008)), the burden is on petitioner to show that separate juridical entities are either part of Spain or under Spain’s control such that any documents held by these entities are effectively within Spain’s custody. The record is insufficient, at this stage, to make either determination.

Consequently, Spain’s objection to direct discovery from these two entities is, for now, sustained. Following discovery about the relationship between Spain and these entities—which may broadly include, as petitioner requests, “all communications” between Spanish ministries and these entities, Parties’ Email to Ct. at 9—petitioner may seek an alter ego finding via a motion to compel, which, if successful, would allow petitioner to seek discovery from these entities as is appropriate to seek from Spain.²

² Petitioner notes that the third-party subpoenas issued to banks and the like “define the term ‘Spain’ as including SEPI and Instituto Cervantes,” and that while “Spain has not objected to the definition of ‘Spain’ in the subpoenas,” “Basket accepts that the Court’s ruling with respect to the definition of this term in the requests served on Spain also will apply to third-party discovery.” Pet’r’s Entities Br. at 2 n.1. Why petitioner makes this concession is not clear. As discussed, Spain agrees that petitioner is free to seek discovery—from Spain or others—*about* SEPI and Instituto Cervantes; Spain only contests whether petitioner may seek discovery directly *from* SEPI and Instituto Cervantes as if those two entities were a party to this action. Spain’s position and this order are thus both consistent with petitioner seeking third-party discovery from banks about the assets of SEPI and Instituto Cervantes.

B. Raytheon and Palantir Subpoenas

Spain additionally moves to quash two third-party subpoenas issued to two contractors, Raytheon and Palantir, seeking information from Raytheon “[c]oncerning the sale, supply, manufacture, delivery, maintenance, or servicing of . . . four PATRIOT air and missile defense systems [in] Spain,” Spain’s Quash Mot., Ex. A, Raytheon Subpoena at 13, ECF No. 129-3, and from Palantir, “[c]oncerning the sale, supply, licensing, deployment, hosting, maintenance, or servicing of . . . an intelligence fusion and analysis solution within the scope of [Spain’s] Armed Forces Intelligence System,” *id.*, Ex. B, Palantir Subpoena at 13, ECF No. 129-4; *see* Spain’s Quash Mot. at 1.³ Spain argues primarily that these contractor subpoenas “only seek discovery regarding Spain’s military and defense of its citizens, which will only lead to information regarding assets immune [from attachment] under the FSIA,” and additionally that “comity weighs against permitting discovery concerning highly sensitive information relating to Spain’s military and national security.” Spain’s Quash Mot. at 1; *see also* Spain’s Mem. in Support of Mot. to Quash (“Spain’s Quash Mem.”) at 1-2, ECF No. 129-1.

Indisputably, the FSIA exempts from attachment and execution property that “is, or is intended to be, used in connection with a military activity and . . . is of a military character, or . . . is under the control of a military authority or defense agency.” 28 U.S.C. § 1611(b)(2). Yet, petitioner contests whether the information sought by these contractor subpoenas pertains to property covered by this exemption. Pet’r’s Quash Opp’n at 7-9.⁴ In any case, the Supreme Court

³ Neither Raytheon nor Palantir has appeared in this case or moved to quash the subpoenas, and Spain does not represent that its quashing motion is made on behalf of the companies. According to petitioner, “Palantir and Raytheon have negotiated extensions of their response deadlines rather than challenging the Subpoenas,” after which Raytheon, “provided its response, stating only objections to the subpoena, on June 1.” Pet’r’s Quash Opp’n at 4. Whether and how Palantir has responded to its subpoena is not reflected in the record.

⁴ Petitioner initially described a very narrow interpretation of what type of assets are exempt from attachment under § 1611(b)(2), relying on *Republic of Argentina v. Weltover, Inc.*, 504 U.S. 607, 614-15 (1992), for the proposition that “a bank account used to buy military property or services . . . would not be immune from attachment under 28

has rejected the argument that “if a judgment creditor could not ultimately execute a judgment against certain property, then it has no business pursuing discovery of information pertaining to that property,” *NML Cap.*, 573 U.S. at 144.

Without deciding whether these contractor subpoenas would ultimately be permissible under the FSIA and binding case law, Spain’s motion to quash will be granted without prejudice for petitioner to reissue these subpoenas at a later date if petitioner cannot locate, attach, and execute on sufficient other assets to fulfill its judgment.⁵ Spain—“like all foreign sovereigns—is entitled to a degree of grace and comity,” and the Court will “prioritize discovery of those documents that are unlikely to prove invasive of sovereign dignity.” *Aurelius*, 589 F. App’x at 18; *see also* Pet’r’s Quash Opp’n at 10 (acknowledging considering comity to a foreign sovereign in “prioritizing,” “sequencing and case management” when considering sensitive military information is appropriate (emphasis omitted)). These two subpoenas seek information not just about payments from Spain to these contractors, but details about the servicing, maintenance, and delivery of intelligence systems and missiles. Regardless of whether petitioner is “entitled to learn” this information in pursuit of judgment, Pet’r’s Quash Opp’n at 8, and whether the information sought by the contractor subpoenas would lead only to assets immune under FSIA’s

U.S.C. § 1610(a)(6).” Parties’ Email to Ct. at 11. This overstates the holding of *Weltover*, which pertained only to the scope of § 1610’s definition of which assets are “commercial” and therefore potentially eligible for attachment. *See Weltover*, 504 U.S. at 614. *Weltover* does not analyze or even mention § 1611, which exempts certain assets from attachment “notwithstanding the provisions of section 1610.” 28 U.S.C. § 1611(b). In supplemental briefing about these contractor subpoenas, without citing *Weltover*; petitioner presses the point that certain assets revealed by the contractor subpoenas would be subject to attachment. *See* Pet’r’s Quash Opp’n. Even if the universe of attachable assets is smaller than petitioner believes, *NML Capital* counsels that petitioner may still obtain discovery about potentially attachable assets to ascertain whether those assets in fact may be attached. *NML Cap.*, 573 U.S. at 145.

⁵ Spain also requests, in its motion to quash these subpoenas, a “protective order preventing the impermissible disclosure of highly sensitive information concerning military defense systems,” Spain’s Quash Mem. at 9, but provides no proposed protective order, does not specify against whom (petitioner or the contractors) the order would be enforceable, explain why the protective order already in place is insufficient, or provide any legal argument for why such an additional protective order is justified. In any event, given that the contractor subpoenas that would require disclosure of this information are quashed, this request is denied as moot.

§1611(b)(2)—determinations not made here—these requests unabashedly seek the kind of highly sensitive, sovereign-specific defense information that is owed comity considerations when contemplating the ordering of discovery. Petitioner should seek to fulfill its judgment through other assets before discovery into these areas is permitted.

* * *

Spain’s objection to including SEPI and Instituto Cervantes in the definition of “Spain” such that those two entities are required to produce information to the same extent as Spain itself is sustained without prejudice, though petitioner remains free to seek broad discovery of any information that is in Spain’s possession, custody or control about these entities, Spanish assets held by these entities, these entities’ assets, and the relationship between Spain and these entities, and to move for an alter ego finding via a motion to compel, as necessary to identify sufficient assets to satisfy the judgment, following such discovery.

Additionally, Spain’s Motion to Quash Subpoenas Served on Raytheon and Palantir is granted, without prejudice, to prioritize the discovery and attachment of assets that do not so implicate Spain’s sovereign interests.

IV. CONCLUSION AND ORDER

For the foregoing reasons, upon consideration of parties briefing on the SEPI and Instituto Cervantes issues, Spain’s Entities Br., ECF No. 128; Pet’r’s Entities Br., ECF No. 130, and Spain’s Motion to Quash Subpoenas to Raytheon and Palantir, ECF No. 129, the legal memoranda in support and opposition, and the exhibits attached thereto, it is hereby—

ORDERED that Spain’s objection to including Sociedad Estatal de Participaciones Industriales (“SEPI”) and Instituto Cervantes in the definition of “Spain” for the purposes of discovery, such that SEPI and Instituto Cervantes would be required to respond to discovery

requests to the same extent as Spain itself, is **SUSTAINED** without prejudice for petitioner to seek such discovery in the future, after a determination whether these two entities are alter egos of Spain or under Spain's control to an extent that Spain may legally command these entities to produce documents; it is further

ORDERED that Spain's Motion to Quash Subpoenas to Raytheon and Palantir, ECF No. 129, is **GRANTED** without prejudice.

SO ORDERED.

Date: June 12, 2026

BERYL A. HOWELL
United States District Judge