UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

METROPOLITAN MUNICIPALITY OF LIMA, *Petitioner*, v. RUTAS DE LIMA S.A.C., *Respondent*.	Case No. 1:20-cv-02155 (ACR)

ORDER

On March 19, 2024, the Court entered final judgment for Respondent Rutas de Lima S.A.C. for approximately $200 million. Dkt. 118. Petitioner Metropolitan Municipality of Lima filed an appeal that remains pending, and it has moved under Federal Rule of Civil Procedure 62(b) to stay enforcement of the judgment pending appeal. *See* Dkts. 123, 133; Case No. 24-7053. For the reasons stated below and, as applicable, in its Memorandum Opinion, Dkt. 112,[1] the Court denies the motion.

Lima cannot meet the traditional four factor test for a stay pending appeal. Tr. (Sept. 12, 2024) at 34:6–13. The traditional test requires a movant to make a "strong showing" that it is likely to prevail in its appeal, *Washington Metro. Area Transit Comm'n v. Holiday Tours, Inc.*, 559 F.2d 841, 843 (D.C. Cir. 1977), something Lima concedes it cannot do. *Id.* at 34:6–13. Nor can Lima satisfy the remaining factors. Monetary judgments are not typically considered

[1] The Court refers the interested reader to its Memorandum Opinion for the procedural and factual background of this long-running saga.

irreparable. *See FTC v. Church & Dwight Co.*, 756 F. Supp. 2d 81, 86 (D.D.C. 2010). Lima has given the Court no reason to delay Rutas's ability to collect on arbitration awards it won in 2020 and 2022. *See Baker v. Socialist People's Libyan Arab Jamahirya*, 810 F. Supp. 2d 90, 100 (D.D.C. 2011). And finally, the public interest "support[s] a timely and efficient process for recognition and execution of foreign arbitral awards." *Pao Tatneft v. Ukraine*, 2021 WL 2209460, at *6 (D.D.C. June 1, 2021).

Not able to meet the traditional test, Lima contends that stays of *monetary* judgments are subject to a different, less demanding standard. Dkt. 133 at 3.[2] Relying on *Federal Prescription*, Lima claims that "courts regularly stay monetary judgments without requiring a bond where doing so would 'not unduly endanger the judgment creditor's interest in ultimate recovery.'" *Id.* (quoting *Fed. Prescr. Serv., Inc. v. Am. Pharm. Ass'n*, 636 F.2d 755, 760–61 (D.C. Cir. 1980)). Lima also claims that "[a]n appeal bond is necessary only 'where there is some reasonable likelihood of the judgment debtor's inability or unwillingness to satisfy the judgment in full upon ultimate disposition of the case and where posting adequate security is practicable.'" *Id.* (quoting *Fed. Prescr. Serv., Inc.*, 636 F.2d at 760).

Lima overreads *Federal Prescription*. The decision does not say that courts "regularly" stay monetary judgments or that a bond is "necessary only" if the debtor is unable or unwilling to pay. To the contrary, it highlights that "a full supersedeas bond should be the requirement in normal circumstances." *Id*. at 760. But "[i]n *unusual* circumstances … the district court in its discretion may order partially secured or unsecured stays." *Id.* (emphasis added).

[2] Lima also contends that it cannot obtain a bond. *See* Dkt. 133 at 10. Maybe so. But Lima cites no rule or case that the failure to obtain a bond is a reason to stay enforcement pending appeal.

The Court will not exercise its discretion to grant a stay absent a supersedeas bond. Lima's mayor, Rafael López Aliaga, has declared time and again that Lima will not pay Rutas—which he deems a criminal gang—anything. Not now. Not later. Not ever. "I will not pay a single mango."[3] Dkt. 134-5. "[T]he Municipality does not pay criminal groups anything." Dkt. 134-3. "We do not pay delinquents." Dkt. 134-4. And Lima has "defense mechanisms against criminal gangs." Dkt. 134-9. When confronted by a media report that Lima will pay the judgment, Mayor Aliaga insisted "I haven't said that, when have I said that? One of the many lies by this group." Dkt. 134-12. Hardly comforting that Lima brings its motion in good faith.

With its opening brief, Lima filed a declaration from city manager Oscar Remigo Lozan Luyo, stating the opposite. He claimed that Lima "would pay the judgment … at the appropriate time, if the judgment is ultimately determined by courts of competent jurisdiction to be valid and enforceable after [Lima] has exhausted its legal defenses." Dkt. 133-2 at ¶ 29. But this declaration is a smokescreen. When the Court asked the obvious follow-up question—does Mr. Lozan have any authority to bind Lima—Lima conceded that he did not. Dkt. 135 at 16 n.3. And, in reply, Lima argued for the first time that Rutas will *also* need a Peruvian court to recognize the judgment before Lima will satisfy its obligation. *See id.*; Dkt. 136-1 at ¶ 3. Put differently, Lima admits it will not pay the judgment even if the D.C. Circuit confirms it.

Lima is not likely to prevail in its appeal, something it tacitly acknowledges by not even bothering to argue that it can. And the Mayor's statements and Lima's new claim that Peruvian courts must also affirm the judgment confirms the Court's view that Lima will not voluntarily pay anything. The Court will not reward such dilatory conduct by relieving Lima of the default

[3] Trivia: the Portuguese, who landed in Calcutta, India in 1498, were the first to establish a mango trade; Spanish explorers brought mangos to South America and Mexico in the 1600s.

obligation under Federal Rule of Civil Procedure 62(b) to post a supersedeas bond to postpone execution and enforcement of the judgment.

The Court **DENIES** Petitioner's Motion to Stay Execution on and Enforcement of the Judgment Pending Appeal Without Bond, Dkt. 133.

Date: June 20, 2025

ANA C. REYES
United States District Judge