

APPELLATE DIVISION OF THE SUPREME COURT OF THE STATE OF NEW YORK, FIRST DEPARTMENT

Sendibel Trading, S.A. v. Petróleos de Venezuela S.A.

2025 NY Slip Op 07117 · No. Index No. 650617/24; Appeal No. 5412; Case No. 2024-07807 · Decided December 18, 2025

SUMMARY

The Appellate Division, First Department unanimously affirmed an order deeming service of process sufficient and complete in an action against Petróleos de Venezuela S.A. and its guarantor. The court held that the note agreement established a special arrangement for service through Corporation Service Company and that plaintiff complied with that arrangement, notwithstanding CSC's rejection of service. The court also rejected defendants' due process and other service-related arguments.

CASE DETAILS

COURT	Appellate Division of the Supreme Court of the State of New York, First Department
WRITING FOR THE COURT	Webber, J.P.; Gesmer, J.; González, J.; Pitt-Burke, J.; Higgitt, J.
JURISDICTION	New York Appellate Division, First Department
DECIDED	December 18, 2025
DOCKET	Index No. 650617/24; Appeal No. 5412; Case No. 2024-07807
DISPOSITION	affirmed
PROCEDURAL POSTURE	Defendants appealed from an order of Supreme Court, New York County, granting plaintiff's motion to deem service sufficient and complete.
STANDARD OF REVIEW	The court reviewed the appealed-from order and determined whether service of process was sufficient under the parties' agreement, the Foreign Sovereign Immunities Act, and New York law.
PRECEDENTIAL VALUE	published
PARTIES	Petróleos de Venezuela S.A., PDVSA Petróleo, S.A. v. Sendibel Trading, S.A.

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QUESTIONS PRESENTED

1. Whether the issuer waived any right to service under the Foreign Sovereign Immunities Act through the note agreement.
2. Whether service on CSC constituted valid service under the special-arrangement provision of 28 U.S.C. § 1608(b), despite CSC's rejection of the documents.
3. Whether service on the guarantor's designated agent satisfied New York service-of-process requirements and due process.

HOLDINGS

1. The issuer waived its right to insist on service under the Foreign Sovereign Immunities Act by agreeing that it was not entitled to immunity from legal process and by agreeing not to assert that it was immune from legal process.
2. Even assuming the FSIA governed service, plaintiff satisfied 28 U.S.C. § 1608(b) by delivering the summons and complaint to CSC pursuant to the note agreement's special arrangement for service.
3. Service on the foreign corporation's designated agent was sufficient, and the guarantor's due-process objection failed because defendants received timely actual notice.

KEY QUOTATIONS

*“Even if plaintiff were required to serve the Issuer in accordance with the FSIA, it did so.” (*1)*

*“Plaintiff is not at fault for the fact that CSC rejected service.” (*1)*

*“Deeming plaintiff's service proper is also consistent with the objective of the FSIA "to facilitate the bringing of suits against foreign governments, arising out of commercial activity, in United States courts"” (*1)*

FACTUAL BACKGROUND

Sendibel Trading served summonses and complaints on Corporation Service Company (CSC), the agent for service of process irrevocably appointed by Petr leos de Venezuela S.A. and PDVSA Petr leo, S.A. under a note agreement. CSC rejected or refused to forward the service, although defendants received timely actual notice of the action. The note agreement contained broad waivers of immunity and required the issuer to appoint a replacement agent if CSC ceased to be available.

PROCEDURAL HISTORY

Supreme Court, New York County, entered an order on or about November 13, 2024, granting plaintiff's motion to deem service sufficient and complete. The Appellate Division, First Department, unanimously affirmed the order without costs.

DISPOSITION

affirmed

CASES CITED

- Pharo Gaia Fund, Ltd. v. Petróleos de Venezuela, S.A., 2024 WL 917608, *2, 2024 U.S. Dist. LEXIS 37491, *4 (S.D.N.Y. Mar. 4, 2024), vacated on other grounds, 2025 WL 1380685, 2025 U.S. Dist. LEXIS 89973 (May 12, 2025)
- G&A Strategic Invs. I LLC v. Petróleos de Venezuela, S.A., 2024 WL 4520067, *2, 2024 U.S. Dist. LEXIS 191008, *8 (S.D.N.Y. Oct. 17, 2024)
- Velidor v. L/P/G Benghazi, 653 F.2d 812, 816–817 (3d Cir. 1981), cert. dismissed, 455 U.S. 929 (1982)
- Aybar v. Aybar, 37 N.Y.3d 274, 290 n.8 (2021)

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