

U.S. Victims of State Sponsored Terrorism Fund

Payment Calculation Explanation for Non-9/11-Related Claims

Sixth Distribution — December 2025

Important Note: *This explanation does NOT apply to 9/11-related claims. Please refer to the separate “Payment Calculation Explanation for 9/11-Related Claims.”*

This explanation shows how the U.S. Victims of State Sponsored Terrorism Fund (USVSST Fund) applies the governing statute, 34 U.S.C. § 20144 (Act), to determine eligible **non-9/11-related** claimants’ award amounts. It includes discussion of the most relevant subsections of the Act, a description of the methodology, and calculation examples. The frequently asked questions (FAQs), available on the USVSST Fund’s website at www.usvsst.com, provide additional information.

The Act requires the USVSST Fund to divide the total amount of funds available for the distribution in half, and to allocate one-half to non-9/11-related claimants and the other half to 9/11-related claimants. Act § (d)(3)(A)(i). For the sixth round, the USVSST Fund allocated a total of \$2.825 billion for the entire distribution. Accordingly, when calculating sixth-round payments, the USVSST Fund allocated \$1,412,500,000 for eligible non-9/11-related claimants, and \$1,412,500,000 for eligible 9/11-related claimants.¹

The sections below explain how the USVSST Fund calculated awards to allocate the \$1,412,500,000 available for sixth-round payments to eligible non-9/11-related claimants, incorporating the requirements in the Act.

I. Payments are *Pro Rata*

The key sections of the Act that govern the calculation of an eligible claimant’s compensation are found in section (d), titled “Payments.” In general, the USVSST Fund pays eligible claimants *pro rata*² based on the compensatory damage award in qualifying judgments.³ Only eligible claims with “amounts outstanding and unpaid” are included in the calculation. Act § (d)(3)(A)(i). Claimants who have already received full payment of their compensatory damages will not receive any compensation from the USVSST Fund.

¹ In the first two rounds of distribution, a single calculation methodology applied to all claimants. The USVSST Fund allocated all funds to eligible claimants in a single *pro rata* calculation, subject to the statutory limitations. The Clarification Act, passed in 2019, changed the methodology for the third and subsequent rounds, including, among other things, the requirement to divide the funds available.

² “Except as provided in subparagraph (B) and subject to the limitations described in clause (ii), the Special Master shall carry out paragraph (1), by ... dividing the funds ... on a pro rata basis, based on the amounts outstanding and unpaid on eligible claims...” Act § (d)(3)(A)(i)(II)-(III).

³ See also Act § (c)(1)-(2).

II. Individual and Family Caps for Non-9/11-Related Claims

Certain provisions of the Act limit payments if compensatory damage amounts exceed certain amounts: \$20 million for individuals, and \$35 million for the total of immediate family members’ claims. These provisions provide “caps” on the amounts eligible claimants can receive from the USVSST Fund.⁴

If an individual claimant has an eligible compensatory damage award amount of more than \$20 million, the USVSST Fund will calculate the claimant’s award as if the amount were \$20 million.

*Example:*⁵ An individual claimant’s compensatory damage amount is \$25 million. When calculating payments, the USVSST Fund must treat this claim as the statutory maximum for an individual claim: \$20 million.

Groups of immediate family members whose total compensatory damages in qualifying judgments add up to more than \$35 million are subject to a separate cap. The USVSST Fund will calculate their awards after adjusting the damage amounts so that the total eligible compensatory damage amounts for all the family members’ claims does not exceed \$35 million.

Example: Five family members have individual judgments of \$10 million each. (See chart below). The family group’s total damages are therefore \$50 million, which exceeds the Act’s family cap of \$35 million. When calculating payments, the USVSST Fund must allocate the \$35 million family cap among the family members in proportion to their individual compensatory damage awards. Therefore, the USVSST Fund must treat each family member’s claim as if it were \$7 million (\$35 million allocated among the five family members’ equal claims).

	Family Member A	Family Member B	Family Member C	Family Member D	Family Member E	Family Total
Judgment Award Amount	\$10 million	\$10 million	\$10 million	\$10 million	\$10 million	\$50 million
After Family Cap	\$7 million	\$7 million	\$7 million	\$7 million	\$7 million	\$35 million

⁴ “(I) In the event that a United States person has an eligible claim that exceeds \$20,000,000, the Special Master shall treat that claim as if it were for \$20,000,000 for purposes of this section. (II) In the event that a non-9/11 related victim of state sponsored terrorism and the immediate family members of such person have claims that if aggregated would exceed \$35,000,000, the Special Master shall, for purposes of this section, reduce such claims on a pro rata basis such that in the aggregate such claims do not exceed \$35,000,000.” Act § (d)(3)(A)(ii).

⁵ The USVSST Fund does not disclose information about individual claimants. The examples in this document illustrate how the USVSST Fund calculates awards – they do not represent actual claims.

U.S. Victims of State Sponsored Terrorism Fund
 Payment Calculation Explanation for Non-9/11-Related Claims
 December 2025

The USVSST Fund will apply the individual cap first, and then the family cap. For some family groups, applying the individual cap may mean that the family’s total compensatory damages no longer exceed the \$35 million family cap.

Example: Three family members have judgments: one has a \$45 million damage amount; the other two have \$5 million. *See* chart below. The USVSST Fund must treat the individual’s claim of \$45 million as the statutory individual maximum, \$20 million. After applying the individual cap, reducing the \$45 million damage amount to \$20 million, the family cap is not triggered.

	Family Member A	Family Member B	Family Member C	Family Total
Judgment Award Amount	\$45 million	\$5 million	\$5 million	\$55 million
After Individual Cap	\$20 million	\$5 million	\$5 million	\$30 million

For other family groups, some individuals may have their gross compensatory damage award amounts capped at \$20 million, and then further reduced when the family cap is applied.

Example: Three family members have judgments: one has a \$45 million damage amount; one has \$25 million; and one has \$10 million. *See* chart below. The USVSST Fund must treat Family Member A’s claim of \$45 million as the statutory maximum for individuals, \$20 million. The USVSST Fund must also treat Family Member B’s claim of \$25 million as the statutory maximum for individuals, \$20 million. After applying the individual cap, the family cap is triggered because the total still exceeds the statutory family cap of \$35 million. The USVSST Fund allocates the \$35 million family cap among the family members in proportion to their individual compensatory damage awards, after applying the individual caps.

	Family Member A	Family Member B	Family Member C	Family Total
Judgment Award Amount	\$45 million	\$25 million	\$10 million	\$80 million
After Individual Cap	\$20 million	\$20 million	\$10 million	\$50 million
After Family Cap	\$14 million	\$14 million	\$7 million	\$35 million

III. Payments from Other Sources

Certain provisions of the Act limit payments to eligible claimants who have received payments from sources other than this Fund.⁶ They do not apply to eligible claimants who have *not* received any such payments.

One subsection applies only to claimants who have received 30 percent or more of their compensatory damages from sources other than this Fund. It provides that these claimants “shall not receive any payment from the USVSST Fund until such time as all other eligible applicants have received from the USVSST Fund an amount equal to 30 percent of the compensatory damages.”⁷ This is determined using the amount of payments from other sources and the compensatory damages amount. The USVSST Fund cannot include these claimants in its payment calculations because all other eligible claimants have not received from the USVSST Fund an amount equal to 30 percent of the compensatory damages awarded to those claimants in their final judgments

Example: A claimant has compensatory damages of \$10 million, and received \$4 million from sources other than this Fund. Because this claimant has received 40 percent of the damages, she will not receive a payment from the USVSST Fund.

A separate subsection applies to claimants who have received some payments from sources other than the USVSST Fund, but these payments do not total 30 percent or more of their gross compensatory damages.⁸ The subsection requires the USVSST Fund to account for claimants’ payments from sources other than this Fund when calculating awards from the USVSST Fund.

⁶ “The term ‘source other than this Fund’ means all collateral sources, including life insurance, pension funds, death benefit programs, payments by Federal, State, or local governments, and court awarded compensation related to the act of international terrorism that gave rise to a claimant’s final judgment, except that the term does not include payments received in connection with an international claims agreement to which the United States is a state party or any other settlement of terrorism-related claims against Sudan.” Act § (j)(6). All USVSST Fund applicants must identify all such other sources. The Special Master retains discretion in assessing any identified source other than this Fund and determining how it will factor into an award calculation. As one example, if the claimant is deceased, life insurance payments paid on personally secured policies must be identified as a source other than the Fund, but will not affect claimants’ awards. Throughout this paper, “payments from sources other than this Fund” refers exclusively to those payments included in the calculations.

⁷ “Any applicant with an eligible claim described in subsection (c)(2) who has received, or is entitled or scheduled to receive, any payment that is equal to, or in excess of, 30 percent of the total compensatory damages owed to such applicant on the applicant’s claim from any source other than this Fund shall not receive any payment from the Fund until such time as all other eligible applicants have received from the Fund an amount equal to 30 percent of the compensatory damages awarded to those applicants pursuant to their final judgments or to claims under subsection (c)(2)(B) or (c)(2)(C). For purposes of calculating the pro rata amounts for these payments, the Special Master shall not include the total compensatory damages for applicants excluded from payment by this subparagraph.” Act § (d)(3)(B)(i).

⁸ “To the extent that an applicant with an eligible claim has received less than 30 percent of the compensatory damages owed that applicant under a final judgment or claim described in subsection (c)(2) from any source other than this Fund, such applicant may apply to the Special Master for the difference between the percentage of compensatory damages the applicant has received from other sources and the percentage of compensatory damages to be awarded other eligible applicants from the Fund.” Act § (d)(3)(B)(ii).

As explained in the methodology below, claimants who have received some compensation from other sources will have their award amounts reduced to reflect these payments from other sources. Claimants who have received more than the payment percentage from sources other than the USVSST Fund will not receive payments. *See also* Section V, calculation examples, below.

IV. Methodology for Calculating Payments

The sections of the Act discussed above mandate the methodology for the award calculations. The funds available for non-9/11-related claimants must be distributed *pro rata* to these eligible claimants after accounting for the individual cap of \$20 million, the family cap of \$35 million, and compensation from sources other than this Fund. This section explains the methodology of calculating awards.⁹

Payment Percentage: For purposes of the USVSST Fund’s calculations, a “payment percentage” is computed. The payment percentage is the amount of funds available to pay to all eligible non-9/11-related claimants¹⁰ divided by their compensatory damages after accounting for the individual cap of \$20 million, the family cap of \$35 million, and compensation from sources other than the USVSST Fund. **For sixth-round payments, the USVSST Fund payment percentage for non-9/11-related claimants is 5.24 percent.**¹¹

Payment Percentage = $\frac{\text{Total Amount of Funds Available for Distribution to Non-9/11-Related Eligible Claimants}}{\text{Compensatory Damages (after accounting for the individual and family caps and compensation from sources other than the USVSST Fund)}}$

Divided by

Compensatory Damages (after accounting for the individual and family caps and compensation from sources other than the USVSST Fund)

The basic USVSST Fund payment calculation methodology is the same for all eligible non-9/11-related claimants.¹² There are five steps in this basic calculation.

1. Determine the amount of gross compensatory damages (or the statutory lump sum award amounts for Iran hostages and their families).
2. Apply the \$20 million individual cap, if applicable.
3. Apply the \$35 million family cap, if applicable.

⁹ Beginning in the sixth distribution, the USVSST Fund implemented the current methodology for all claimants, yielding the same payment amounts as the most recent methodology.

¹⁰ The USVSST Fund allocated \$1.4125 billion for sixth-round payments to eligible non-9/11-related claimants.

¹¹ The USVSST Fund has rounded this from the 5.2426 percent figure used in the actual calculations. (Note that the payment percentage for 9/11-related claimants in the sixth round of payments is 1.64 percent.)

¹² A limited number of claimants’ changed circumstances may require individualized adjustments to this calculation methodology.

U.S. Victims of State Sponsored Terrorism Fund
 Payment Calculation Explanation for Non-9/11-Related Claims
 December 2025

4. Compute the maximum potential USVSST Fund payment amount using the payment percentage
5. Account for compensation received from sources other than the USVSST Fund, if any.¹³

Although prior-round payments are not directly included in the calculation methodology, the USVSST Fund tracks them to ensure that no eligible claimant receives more than their gross compensatory damages, adjusted for the individual and family caps. Additionally, the USVSST Fund tracks compensation from other sources not used to reduce prior-round and sixth-round payments; these remaining amounts will be incorporated in payment calculations for future rounds, if any.

V. Illustrative Examples of the Calculations Used to Determine USVSST Fund Payments to Eligible Non-9/11-Related Claimants under Varying Circumstances

The illustrative examples show model calculations used to determine a USVSST Fund award payment for non-9/11-related claimants participating in the sixth round of payments. The USVSST Fund does not disclose information about individual claimants. The examples in this document illustrate how the USVSST Fund calculates awards – they do not represent actual claims.

These examples use a 10 percent payment percentage to simplify the arithmetic. The actual payment percentage for non-9/11-related claimants in the sixth round is 5.24 percent.

The examples show calculations for two situations:

1. Claimant with No Payment from Other Sources
2. Claimant with Payment from Other Sources

Example 1:

Claimant with No Payment from Other Sources	
Gross Compensatory Damage Amount (after caps, if applicable)	\$ 10,000,000
Amount Received from Other Sources	\$ -
Maximum Potential Payment Amount from USVSST Fund (Equals Payment Percentage (10 percent) of gross compensatory damages)	\$ 1,000,000
Less: Amount Received from Other Sources	
Equals: Actual Payment Amount from USVSST Fund	\$ -
	\$ 1,000,000

¹³ This includes newly reported amounts as well as any remaining amounts of previously reported payments from other sources that have not already been deducted in prior rounds, if any.

U.S. Victims of State Sponsored Terrorism Fund
 Payment Calculation Explanation for Non-9/11-Related Claims
 December 2025

Example 2:

Claimant with Payment from Other Sources	
Gross Compensatory Damage Amount (after caps, if applicable)	\$ 10,000,000
Amount Received from Other Sources	\$ 500,000
Maximum Potential Payment Amount from USVSST Fund (Equals Payment Percentage (10 percent) of gross compensatory damages)	\$ 1,000,000
Less: Amount Received from Other Sources	
Equals: Actual Payment Amount from USVSST Fund	\$ 500,000
	\$ 500,000