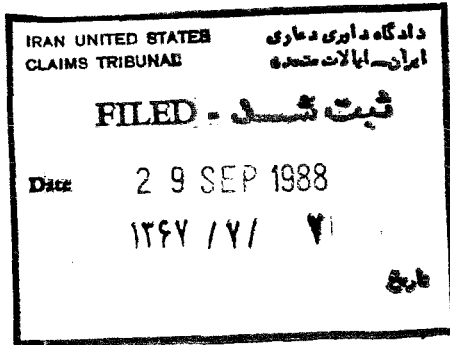


CASE NO. 10415

CHAMBER ONE

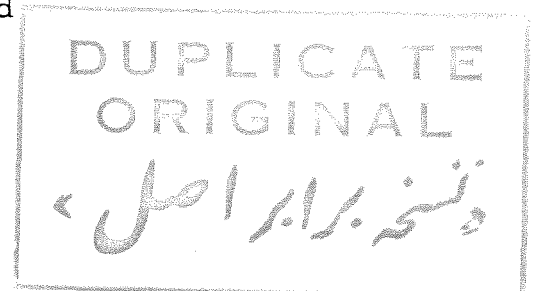
AWARD NO. 392 -10415-1



MAXON CORPORATION,
a claim of less than US\$250,000 presented
by the UNITED STATES OF AMERICA
Claimant,

and

THE ISLAMIC REPUBLIC OF IRAN,
Respondent.



AWARD ON AGREED TERMS

1. On 19 January 1982, the Government of the United States of America presented a Claim of less than US \$250,000 on behalf of MAXON CORPORATION against the ISLAMIC REPUBLIC OF IRAN.

2. On 30 August 1988, a Joint Request for an Arbitral Award on Agreed Terms was filed with the Tribunal, signed by the Agent of the Government of the Islamic Republic of Iran and the Agent of the Government of the United States of America, requesting the Tribunal to record, inter alia, a Settlement Agreement dated 3 January 1988, as an Arbitral Award on Agreed Terms pursuant to Article 34 of the Tribunal Rules. The Settlement Agreement was entered into by Polyacryl Iran, on the one hand, and Maxon Corporation, on the other. Copies of the Joint Request and the Settlement Agreement are attached hereto.

3. The Settlement Agreement provides for certain reciprocal obligations of the Parties. It is stated in Article Two, paragraph 1, that "[i]n consideration of full and final settlement of all disputes, differences and claims existing or capable of arising in connection with Case No. 10415, Maxon Corporation will be paid the sum of (US \$2,000) only."

4. Further, it is stated in Article Two, paragraph 2, of the Settlement Agreement that "[u]pon the issuance of the Award on Agreed Terms all titles, rights, benefits and interests of Claimant in the parts, equipment and properties claimed for in the Statement of Claim and other submissions in the Case No. 10415 are transferred unconditionally, irrevocably, without any lien or incumbrance and without the right to any recourse, to Polyacryl Iran. Claimant shall prepare and submit to the Tribunal, together with this Settlement Agreement, a notarized statement certifying that those parts, equipment, and properties are the property of

Polyacryl Iran, have previously been delivered to Polyacryl's Agent (E.I. Du Pont De Nemours & Company), and that Claimant has no objection whatsoever to the exportation of those parts, equipment, and properties to Polyacryl Iran by E.I. Du Pont De Nemours & Company. This document shall be handed over by the Tribunal to the Agent of the Islamic Republic of Iran, upon the issuance of the Award on Agreed Terms."

5. Attached to the Settlement Agreement in accordance with Article Two, paragraph 2, of the Settlement Agreement is the notarized statement prepared and submitted by the Claimant.

6. The Tribunal accepts the Settlement Agreement in accordance with Article 34, paragraph 1, of the Tribunal Rules.

7. Pursuant to the foregoing,

THE TRIBUNAL AWARDS AS FOLLOWS:

i) The Settlement Agreement is hereby recorded as an Award on Agreed Terms binding upon the Parties. Consequently the Respondent is obligated to pay the Claimant MAXON CORPORATION the amount of Two Thousand United States Dollars (U.S. \$2,000) which obligation shall be satisfied by payment out of the Security Account established pursuant to paragraph 7 of the Declaration of the Government of the Democratic and Popular Republic of Algeria dated 19 January 1981.

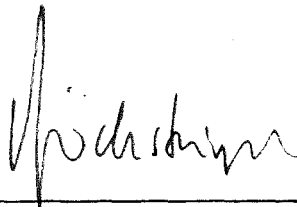
ii) The Tribunal declares the proceedings by the Claimant against the Respondent terminated.

iii) In accordance with the provision of Article Two, paragraph 2, of the Settlement Agreement the Tribunal hereby

instructs the Registry to deliver to the Agent of the Government of the Islamic Republic of Iran the notarized statement deposited with the Tribunal pursuant to that provision.

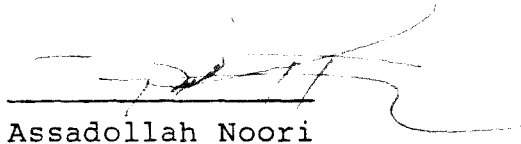
This Award will be submitted to the President for notification to the Escrow Agent.

Dated, The Hague,
29 September 1988

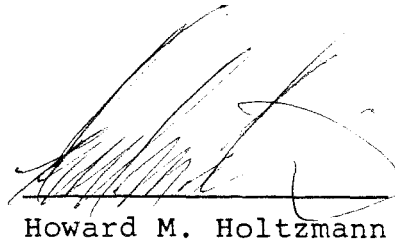


Karl-Heinz Böckstiegel
Chairman
Chamber One

In the Name of God



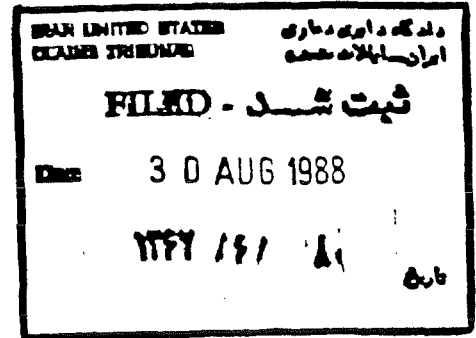
Assadollah Noori



Howard M. Holtzmann

IN THE NAME OF GOD

Before
Iran-U.S. Claims Tribunal
The Hague, The Netherlands



10415

The Government of the United States of America on behalf and for the benefit of the following United States nationals:

1. General Dynamics Land Systems, Inc.
(formerly known as Stromberg Carlson Corp.),
2. Maxon Corporation,
3. Troemner Incorporated,
4. The William Powell Company,
5. Accurate Machine Products,
6. Bearings Incorporated,
7. Teledyne Farris Engineering Company,
8. Rumsey Electric Company,
9. Gai Tronics Corporation,
10. Herbach & Rademan Incorporated,
11. Penwalt Corporation,
12. Industrial Equipment Co. of Houston, &
13. Electric Heating Equipment Co.
14. The Perkin Elmer Corp.

Claimant,

-and-

The Islamic Republic of Iran,

Respondent.

Cases Nos.:

11294, 10415, 10216,
11486, 10569, 11415,
10541, 11300, 10972,
12567, 10355, 11539,
10026 & 12778.

Chamber /

JOINT REQUEST FOR ARBITRAL AWARD
ON AGREED TERMS

Pursuant to Article 34 of the Tribunal Rules, the Government of the United States of America, and the Government of the Islamic Republic of Iran, jointly request that the Tribunal issue Arbitral Award on Agreed Terms

that will record and give effect to the fourteen Settlement Agreements attached hereto.

The names of the Parties to, and the sums fixed as the Settlement Amounts in these Settlement Agreements are as specified hereunder:

1. Case No.11294: General Dynamics Land Systems, Inc. (formerly known as Stromberg Carlson Corp.) and Polyacryl Iran in the amount of US\$2,500.
2. Case No.10415: Maxon Corporation and Polyacryl Iran in the amount of US\$2,000.
3. Case No.10216: Troemner Incorporated and Polyacryl Iran in the amount of US\$250.
4. Case No.11486: The William Powell Company and Polyacryl Iran in the amount of US\$1,330.
5. Case No.10569: Accurate Machine Products and Polyacryl Iran in the amount of US\$192.34.
6. Case No.11415: Bearings Incorporated and Polyacryl Iran in the amount of US\$1,000.
7. Case No.10541: Teledyne Farris Engineering Company and Polyacryl Iran in the amount of US\$3,360.
8. Case No.11300: Rumsey Electric Company and Polyacryl Iran in the amount of US\$151.46.
9. Case No.10972: Gai Tronics Corproation and Polyacryl Iran in the amount of US\$7,000.
10. Case No.12567: Herbach & Rademan Incorporated and Polyacryl Iran in the amount of US\$1,400.

11. Case No.10355: Penwalt Corporation and Polyacryl Iran
in the amount of US\$4,500.
12. Case No.11539: Industrial Equipment Co. of Houston and
Polyacryl Iran in the amount of US\$150.
13. Case No.10026: Electric Heating Equipment
Co. and Polyacryl Iran in the amount of US\$10,000
14. Case No.12778: The Perkin Elmer Corp. and Polyacryl
Iran in the amount of US\$ 4,500.

These Settlement Agreements provide the amounts so fixed will be paid to the said companies in complete, full, and final settlement of all claims and counterclaims now existing or capable of arising in connection with the above-captioned cases.

The undersigned hereby ratify the said Agreements and request the Tribunal to record them as Arbitral Awards on Agreed Terms, with payment to be made to the said companies out of the Security Account and to declare the cases terminated, withdrawn and dismissed in their entirety and with prejudice.

Respectfully submitted,

Mohammad K. Eshragh,
Agent of the Government of the
Islamic Republic of Iran to the
Iran-U.S. Claims Tribunal

Michael F. Raboin
Timothy E. Ramish,
Agent of the Government of the
United States of America to the
Iran-U.S. Claims Tribunal

IRAN UNITED STATES CLAIMS TRIBUNAL	
FILED - JAN	
Date	30 AUG 1988
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IN THE NAME OF GOD

SETTLEMENT AGREEMENT

10415 .

This Settlement Agreement (the "Agreement") is made this 3 day of Jan, 1988, (13.10. 1366) by and between the Polyacryl Iran and Maxon Corporation, a United States national, existing and organized under the laws of the State of Indiana, USA.

WHEREAS, the Government of the United States of America has filed a claim on behalf and for the benefit of Maxon Corporation with the Iran-U.S. Claims Tribunal ("the Tribunal");

WHEREAS, Polyacryl Iran and Maxon Corporation wish to settle all claims and disputes which are outstanding or capable of arising in connection with Case No. 10415 and its subject matter;

THEREFORE, Polyacryl Iran and Maxon Corporation agree as follows:

ARTICLE ONE.

The scope and subject matter of this Agreement is to settle and dismiss, forever, all disputes, differences, claims, and matters directly or indirectly, raised or capable of arising out of the relationships, transactions, contracts and events related to and subject matters of the Case No. 10415, against Polyacryl Iran, its agents, affiliates and subsidiary companies and/or against the Islamic Republic of Iran, its political subdivisions, Iranian entities, agencies, organizations, institutions and instrumentalities.

ARTICLE TWO

1. In consideration of full and final settlement of all disputes, differences and claims existing or capable of arising in connection with Case No. 10415, Maxon Corporation will be paid the sum of (US\$ 2,000) only. (The "Settlement Amount").

2. Upon the issuance of the Award on Agreed Terms all titles, rights, benefits and interests of Claimant in the parts, equipment and properties claimed for in the Statement

of Claim and other submissions in the Case No. 10415 are transferred unconditionally, irrevocably, without any lien or incumbrance and without the right to any recourse, to Polyacryl Iran. Claimant shall prepare and submit to the Tribunal, together with this Settlement Agreement, a notarized statement certifying that those parts, equipment, and properties are the property of Polyacryl Iran, have previously been delivered to Polyacryl's Agent (E.I. Du Pont De Nemours & Company), and that Claimant has no objection whatsoever to the exportation of those parts, equipment, and properties to Polyacryl Iran by E.I. Du Pont De Nemours & Company. This document shall be handed over by the Tribunal to the Agent of the Islamic Republic of Iran, upon the issuance of the Award on Agreed Terms.

3. The Parties agree to submit this Agreement to the Agents of the Governments of the United States of America and the Islamic Republic of Iran in order to be filed with the Iran-U.S. Claims Tribunal on or before 30 day of Aug. 1988 for recording as an Arbitral Award on Agreed Terms.

ARTICLE THREE

Upon the issuance by the Tribunal of the Award on Agreed Terms, Polyacryl Iran and Maxon Corporation shall cause, without delay and with prejudice, all proceedings between the Parties and against the Islamic Republic of Iran, its agencies, entities, and instrumentalities in all courts, forums, or before any authority or administrative bodies to be dismissed, withdrawn and terminated, and shall be barred from instituting and/or continuing with any proceedings before the Iran-U.S. Claims Tribunal or any other forum, authority or administrative body whatsoever, including but not limited to any court in the United States of America or the Islamic Republic of Iran, in relation to the claims and matters related to the Claim or any past dealings.

ARTICLE FOUR

(1) Upon the issuance by the Tribunal of the Award on Agreed Terms, Polyacryl Iran and Maxon Corporation for themselves and their parent companies (should there be any), subsidiaries, affiliates, directors, officers, employees and agents (and for the successors, transferees, and assigns of themselves and their subsidiaries and affiliates, directors, officers, and employees) by this Agreement release and forever discharge each other and their parent companies (should there be any), subsidiaries, affiliates, directors, officers and employees (and the successors, transferees, and assigns of each other and their subsidiaries, affiliates, directors, officers and employees) from any and all liability that they ever had, now have and/or in the future may have against each other in connection with Case No. 10415.

(2) Upon the issuance by the Tribunal of the Award on Agreed Terms, Maxon Corporation shall, for itself and its parent companies (should there be any), subsidiaries, affiliates, directors, officers and employees (and for the successors, transferees, and assigns of itself and its parent companies, subsidiaries, affiliates, directors, officers and employees), by this Agreement release and forever discharge all Respondents in Case No. 10415 including the Islamic Republic of Iran, its agencies, entities and instrumentalities from any and all liability that they ever had, now have and/or in the future may have and that arises or is capable of arising out of the contracts, transactions, and occurrences related to the subject-matters of the Claim, and/or any other past dealings.

(3) Should any claims be pending or filed by a third party in any court or forum against either of the parties hereto based on any assignment or transfer of rights of any kind from one of the parties hereto, the party who has effected or caused such assignment or transfer of right shall be exclusively liable to such third party.

ARTICLE FIVE

Upon the issuance by the Tribunal of the Award on Agreed Terms, Polyacryl Iran and Maxon Corporation shall waive any and all claims for costs (including attorney's fees) arising out of or related to the arbitration, prosecution or defence of the claims asserted (or which might have been asserted) before the Iran-U.S. Claims Tribunal, U.S. courts or elsewhere with respect to and in connection with the matters involved in the Claim.

ARTICLE SIX

Upon the issuance by the Tribunal of the Award on Agreed Terms, the releases, dismissals, waivers and withdrawals contained and referred to in this Settlement Agreement become self-executing. After the issuance of the Award on Agreed Terms by the Tribunal, no further documents need to be executed in implementing this Agreement.

ARTICLE SEVEN

(1) It is agreed that this Settlement Agreement is made in a spirit of private settlement of disputes, that it shall be null and void if not approved by the Tribunal and that it shall not affect any position of the Parties in any matter other than Case No. 10415. The Parties further agree that they shall not use, or cause any person to use this Settlement Agreement in the prosecution or defence of any cases before the Iran-U.S. Claims Tribunal or any other

forum, except that the Parties may use this Agreement for the purpose of implementing its terms.

(2) This Settlement Agreement is for the sole purpose of settling Case No. 10415. Nothing in this Settlement Agreement shall be relied upon or construed as relevant to or affect in any way any arguments Polyacryl Iran or the Islamic Republic of Iran, its agencies, instrumentalities, and entities have raised, or may raise, concerning the jurisdiction or the merits of this case or any other cases whether before the Tribunal or any other forum.

ARTICLE EIGHT

This Settlement Agreement shall be null and void if not approved by Polyacryl Iran authorities and not filed with the Tribunal by 30 August, 1988, and in that event, no party to this Agreement may rely upon, cite or publish its terms and the Parties shall be placed in the same position as they were before the date of this Agreement.

ARTICLE NINE

For the purpose of construction and interpretation of this Agreement the entire Agreement shall be read and construed as a whole without giving any specific effect to any article separately.

ARTICLE TEN

This Agreement has been written and signed in both languages of Persian and English and each text shall have the same and equal validity.

The representatives of the Parties hereto expressly declare that they are duly empowered to sign this Agreement and their signatures will commit their respective principals to fulfillment of their obligations under this Agreement without any limitations except as may otherwise be contained in this Settlement Agreement.

In witness whereof, the parties hereto have executed and delivered this Agreement.

Maxon Corporation,

Polyacryl Iran Corporation

By: *Reed Cheaman, V.P.*

By *M. Kassaian*

Date: *FEB 16, 1988*

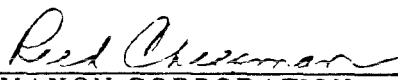
Date: *Jun 3, 1988*

[Signature]
M. Kassaian

CERTIFICATION RE CLAIM NO. 10415

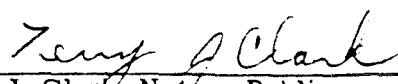
In accordance with Article Two (2) of Settlement Agreement, I hereby certify
that:

- (1) all titles, rights, benefits and interests Maxon Corporation had in the parts, equipment and properties at issue in Case No. 10415 are now the property of Polyacryl Iran;
- (2) that parts, equipment and properties have previously been delivered by Maxon Corporation to Polyacryl's Agent — E. I. Dupont De Nemours & Company; and
- (3) that Maxon Corporation has no objection whatsoever to the exportation of the parts, equipment and properties at issue in Case No. 10415 to Polyacryl Iran by E. I. DuPont de Nemours & Company.

By 
MAXON CORPORATION
Reed Cheesman, V.P.

Reed Cheesman personally appeared before me on the 16th day of February, 1988 and hereby certifies that the above information is true and correct to the best of his knowledge.

Sworn to before me in the City of Muncie, County of Delaware, State of Indiana, U.S.A. on February 16th, 1988.


Terry J. Clark, Notary Public
My Commission Expires 8-13-89