

10547-3

ORIGINAL DOCUMENTS IN SAFE

3

Case No. 10547

Date of filing: 12 OCT 88

**** AWARD**

- Type of Award

on Agreed terms

- Date of Award

12 OCT 88

2 pages in English

2 pages in Farsi

**** DECISION** - Date of Decision

_____ pages in English

_____ pages in Farsi

**** CONCURRING OPINION** of

- Date

_____ pages in English

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**** SEPARATE OPINION** of

- Date

_____ pages in English

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**** DISSENTING OPINION** of

- Date

_____ pages in English

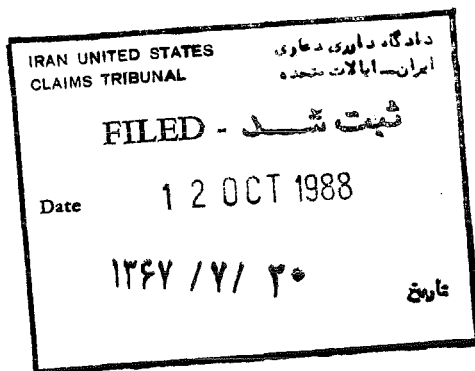
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- Date

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CASE NO. 10547

CHAMBER TWO

AWARD NO. 397-10547-2

DANA CORPORATION,
a claim of less than U.S.\$250,000
presented by

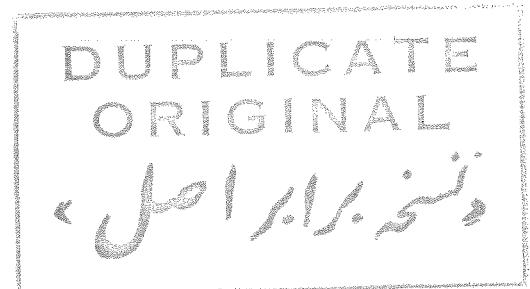
THE UNITED STATES OF AMERICA,

Claimant,

and

THE ISLAMIC REPUBLIC OF IRAN,
BANK MELLAT (formerly BANK OF TEHRAN),
BANK SEPAH,

Respondents.



AWARD ON AGREED TERMS

1. On 19 January 1982, the Government of the United States of America presented the Claim of less than U.S. \$250,000 of DANA CORPORATION ("the Claimant") against THE ISLAMIC REPUBLIC OF IRAN, and in particular, against BANK MELLAT (formerly BANK OF TEHRAN) and BANK SEPAH ("the Respondents") seeking recovery in connection with a commercial debt which allegedly remains unpaid.

2. Pursuant to Article 34, paragraph 1 of the Tribunal Rules, a Joint Request was filed on 26 September 1988, signed by the Agent of the Government of the United States of America and by the Agent of the Government of the Islamic Republic of Iran. The Joint Request ratifies a Settlement Agreement signed by the Parties in this Case and requests that the Tribunal render an Award on Agreed Terms recording and giving effect to the Settlement Agreement. The Settlement Agreement is signed by Bank Sepah and the Claimant, but it provides that Bank Sepah is acting for itself and for Bank Mellat, and it makes clear in Article One that the Agreement is intended to settle all claims within the scope of this Case against the Islamic Republic of Iran and any other Iranian entities. The Settlement Agreement provides for certain reciprocal obligations of the Parties thereto.

3. Article Two of the Settlement Agreement provides, inter alia, for the payment by the Respondents to the Claimant of one hundred twenty four thousand eight hundred sixty five United States dollars (U.S.\$124,865.00).

4. Copies of the Joint Request and the Settlement Agreement are attached hereto.

5. In view of the fact that the provisions of the Settlement Agreement fulfill the requirements for the issuance of an Award on Agreed Terms, the Tribunal accepts the Settlement Agreement in accordance with Article 34, paragraph 1, of the Tribunal Rules.

6. For the foregoing reasons,

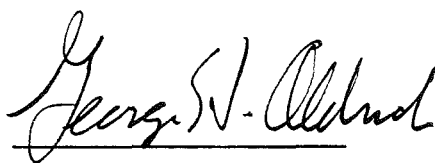
THE TRIBUNAL AWARDS AS FOLLOWS:

- (a) The Settlement Agreement filed with the Joint Request is hereby recorded as an Award on Agreed Terms, binding on the Parties in full and final settlement of the entire Case.
- (b) The Respondent BANK SEPAH shall pay the Claimant DANA CORPORATION, the amount of one hundred twenty four thousand eight hundred sixty five United States dollars (U.S. \$124,865.00), which obligation shall be satisfied by payment out of the Security Account established pursuant to Paragraph 7 of the Declaration of the Democratic and Popular Republic of Algeria of 19 January 1981.
- (c) This Award is hereby submitted to the President of the Tribunal for the purpose of notification to the Escrow Agent.

Dated, The Hague
12 October 1988



Robert Briner
Chairman



George H. Aldrich

In the name of God,



Seyed K. Khalilian
See Separate Opinion in
Award No. 346-10973-2
(29 January 1988)

IN THE NAME OF GOD
Before the
Iran-U.S. Claims Tribunal
The Hague, The Netherlands

The Government of the United States
of America on behalf and for the
benefit of Dana Corporation, a United
States national,

Claimant,

and

Islamic Republic of Iran,

Respondent

IRAN UNITED STATES CLAIMS TRIBUNAL	سازمان دادرسی و داوری در امور ایران و ایالات متحده
FILED - ثبت شد	
Date	26 SEP 1988
تاریخ: ۱۳۶۷ / ۷ / ۴	

Case No.10547

Chamber Two

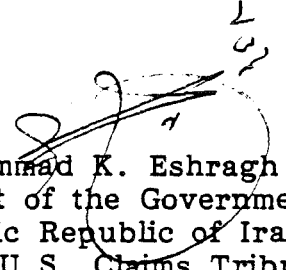
Joint Request for Arbitral Award on Agreed Terms

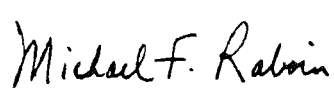
Pursuant to Article 34 of the Tribunal Rules, the Government of the United States of America, and the Government of the Islamic Republic of Iran, jointly request that the Tribunal issue an Arbitral Award on Agreed Terms that will record and give effect to the Settlement Agreement reached by Dana Corporation and Bank Sepah, a copy of which is attached hereto.

Bank Sepah and Dana Corporation have entered into a Settlement Agreement which provides that Dana Corporation shall be paid the amount of US\$124,865.00 (one hundred twenty four thousand eight hundred sixty five United States dollars only) in complete and final settlement of all claims and counterclaims now existing or capable of arising in connection with this case.

The undersigned hereby ratify the said Agreement and request the Tribunal to record it as an Arbitral Award on Agreed Terms, with payment to be made to Dana Corporation out of the Security Account.

Respectfully submitted,


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


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

IN THE NAME OF GOD

Settlement Agreement

This Settlement Agreement (the "Agreement") made this 18th day of July 1988, (Tir 27, , 1367), by and between Bank Sepah Iran, New York Agency for itself and on behalf of Bank Mellat (hereinafter collectively referred to as "Bank Sepah"), and Dana Corporation, a United States national, which for the purpose of this Settlement Agreement represents itself and its subsidiaries including but not limited to Dana World Trade Corporation, (hereinafter referred to as "Dana Corporation");

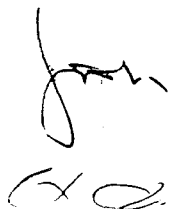
WHEREAS, the Government of the United States of America has filed a claim on behalf and for the benefit of Dana Corporation with the Iran-U.S. Claims Tribunal ("the Tribunal");

WHEREAS, Bank Sepah and Dana Corporation wish to settle all claims and disputes which are outstanding or capable of arising in connection with Case No.10547 ("Claim") and its subject matter;

THEREFORE, Bank Sepah and Dana Corporation agree as follows:

Article One

The scope and subject matter of this Agreement is to settle and dismiss, forever, all disputes, differences, claims, counterclaims, 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.10547, against Bank Sepah, its agents, parents, affiliates and subsidiary companies and/or against the Islamic Republic of Iran, its political subdivisions, Iranian entities, agencies, organizations, institutions and instrumentalities.

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Article Two

In consideration of full and final settlement of all disputes, differences, claims and counterclaims existing or capable of arising in connection with the Case No.10547, Dana Corporation will be paid the sum of one hundred twenty four thousand eight hundred sixty five United States dollars (US\$124,865.00) only (the "Settlement Amount").

The Parties agree to submit this Agreement to the Agents of the Government of the United States of America and the Islamic Republic of Iran for the submission thereof to the Iran-United States Claims Tribunal on or before 27th of Sept. 1988, for recording as an Arbitral Award on Agreed Terms.

Article Three

Upon issuance by the Tribunal of the Award on Agreed Terms, Bank Sepah and Dana 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-United States Claims Tribunal or any other forum or 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 or counterclaims related to the Claim or any other past dealings.

Article Four

(1) Upon issuance by the Tribunal of the Award on Agreed Terms, Bank Sepah and Dana 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

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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. 10547.

(2) Upon the issuance by the Tribunal of the Award on Agreed Terms, Dana 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.10547 including the Islamic Republic of Iran, its agencies, entities and instrumentalities and Bank Mellat 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 issuance by the Tribunal of the Award on Agreed Terms, Bank Sepah and Dana 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 or counterclaims asserted (or which might have been asserted) before the Iran-United States Claims Tribunal,

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U.S. courts or elsewhere with respect to and in connection with the matters involved in the Claim.

Article Six

Upon issuance by the Tribunal of the Award on Agreed Terms, the releases, dismissals, waivers and withdrawals contained and referred to in this Settlement Agreement shall become self-executing. After 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 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 Parties in any matter other than Claim No.10547. 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.10547. Nothing in this Settlement Agreement shall be relied upon or construed as relevant to or to affect in any way any argument Bank Sepah or the Islamic Republic of Iran, its agencies, instrumentalities, 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.

(3) Further nothing in this Agreement, including the releases and waivers set forth in Article 4 hereof, shall constitute or be construed as waiver of, or release from, or affect in any way, any claim or counterclaim the Islamic Republic of Iran (as defined in Article VII(3) of the Claims

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Settlement Declaration) has or may in the future have against the United States (as defined in Article VII(4) of the Claims Settlement Declaration).

Article Eight

This Settlement Agreement may be declared null and void if not approved by the Bank Sepah authorities and not filed with the Tribunal by September 27, 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 positions 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 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.

Dana Corporation, for itself and
on behalf of its subsidiary Dana
World Trade Corporation

By: [Signature]

Date: July 18, 1988

Bank Sepah Iran,
New York, for itself and on behalf
of Bank Mellat

By: [Signature]

Date: July 18, 1988