

138-66

138-66

STATES CLAIMS TRIBUNAL

دیوان داوری دعاوی ایران - ایالات متحدہ

ORIGINAL DOCUMENTS IN SAFE

Case No. 138

Date of filing: 11 APRIL 84

** AWARD - Type of Award Agreed terms
- Date of Award 9 APR 84
4 pages in English 4 pages in Farsi
+ 10 pages of exhibits

** DECISION - Date of Decision _____
_____ pages in English _____ pages in Farsi

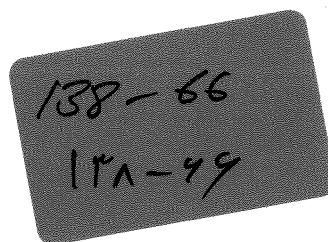
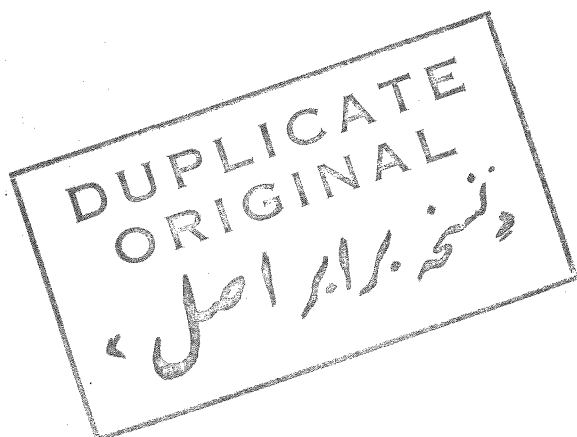
** CONCURRING OPINION of _____
- Date _____
_____ pages in English _____ pages in Farsi

** SEPARATE OPINION of _____
- Date _____
_____ pages in English _____ pages in Farsi

** DISSENTING OPINION of _____
- Date _____
_____ pages in English _____ pages in Farsi

** OTHER; Nature of document: _____

- Date _____
_____ pages in English _____ pages in Farsi



CASE NO. 138

CHAMBER ONE

AWARD NO. 119-138-1

HERMAN BLUM CONSULTING

ENGINEERS, INC.,

Claimant,

and

THE GOVERNMENT OF THE ISLAMIC

REPUBLIC OF IRAN,

IRAN HOUSING CORPORATION,

IRAN ELECTRONICS INDUSTRIES,

MILITARY INDUSTRIES ORGANIZATION

OF IRAN,

Respondents.

IRAN UNITED STATES CLAIMS TRIBUNAL		دادگاه داوری دعای ایران - ایالات متحدہ	
ثبت شد - FILED			
Date	۱۳۶۲ / ۱۱ / ۲۲		تاریخ
11 APR 1984			
No.	138		شماره

AWARD ON AGREED TERMS

On 20 January 1984 the Agent of the Government of the Islamic Republic of Iran filed with the Tribunal a Settlement Agreement dated 22 October 1981 between HERMAN BLUM CONSULTING ENGINEERS, INC., ("HBCE") and IRAN ELECTRONICS INDUSTRIES, ("IEI") together with an Amendment dated 6 June 1983, signed by the Parties to the Settlement Agreement, resolving the matters in dispute between them the subject of Case No. 138. The Settlement Agreement as amended provides for certain reciprocal obligations of the Parties. Attached to the said documents is a letter to the Tribunal dated 6 June 1983 and signed by HBCE and IEI requesting that an award be rendered in accordance with the agreement and providing that payment pursuant to the agreement "shall extinguish all present and future claims of the Parties against each other."

On 2 March 1984 HBCE filed with the Tribunal a written statement that "the Settlement Agreement of October 22, 1981, with its amendment dated June 6, 1983, operates as a full and mutual release by HBCE of Iran Housing Corporation ("IHC") Iran Electronics Industries ("IEI") and the Government of Iran and its ministries and departments in return for the full and mutual release of HBCE by IHC, IEI and the Government of Iran and its ministries and departments." The Agent of the Government of the Islamic Republic of Iran confirmed in a letter filed on 27 March

1984 the waiver by Iran Housing Corporation of its counterclaim.

The contract in respect of which MILITARY INDUSTRIES ORGANISATION OF IRAN is named as a Respondent is stated in the Statement of Claim to have been assigned to IEI. The Tribunal considers that it is clear from the documents filed that the Settlement Agreement as amended is in full and final settlement of all claims and counterclaims pending between the Claimant and all Respondents in Case No. 138.

Copies of the Settlement Agreement and the amendment thereto are annexed hereto.

The Tribunal accepts the Settlement Agreement in accordance with Article 34 of the Tribunal Rules.

Based on the foregoing,

The Settlement Agreement as amended is hereby recorded as an Award on agreed terms, binding on the Parties.

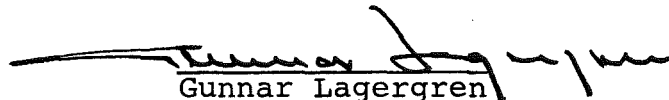
Consequently, the Respondent IRAN ELECTRONICS INDUSTRIES is obligated to pay the Claimant HERMAN BLUM CONSULTING ENGINEERS, INC. the amount of Two Hundred and Sixty Thousand United States Dollars (\$260,000.00) which obligation shall be satisfied by payment out of the Security Account

established pursuant to paragraph 7 of the Declaration of the Government of the Democratic and Popular Republic of Algeria dated 19 January 1981.

The Tribunal hereby submits this Award to the President for notification to the Escrow Agent.

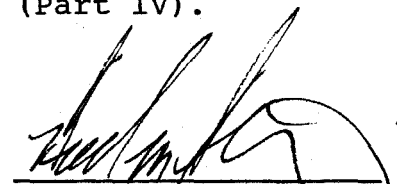
Dated, The Hague,

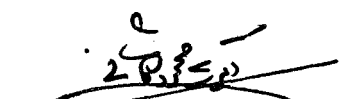
9 April 1984


Gunnar Lagergren
Chairman
Chamber One

I agree with the Chairman in accepting and recording of the Settlement Agreement as an Award on agreed terms but I dissent as to the remaining part of this Award not only because that part unilaterally condemns one of the parties to the performance of its obligations and ignores the reciprocal obligations of the other party but also because it provides for an enforcement procedure, which a judge is barred from after deciding the dispute or accepting and recording the settlement, according to Article 34 of the UNCITRAL Rules.

Concurring. My views with regard to the comments set forth above Mr. Kashani's signature are explained in my Concurring Opinions in Case Nos. 279, 427 and 807 (Part IV).


Howard M. Holtzmann


Mahmoud M. Kashani



EMBASSY OF THE ISLAMIC REPUBLIC OF IRAN
Agent Bureau
The Hague

IN THE NAME OF GOD

No. 7964

Date. 20 JAN, 84

Encl. ۶۲/۱.۵.

Mr. A. Foroughi,
Mr. Gulliford,
Co-Registrars,
Iran-U.S. Claims Tribunal,
Parkweg 13,
The Hague.

آقای احمد فروغی
آقای گالیفورد
مدیران مشترک دفتر دادگاه
بارک وگ ۱۳
لاسه

Sirs,

آقایان محترم

I hereby transmit the original of the Settlement Agreement pertaining to Case No. 138 received from Iran Electronics Industries Organization.

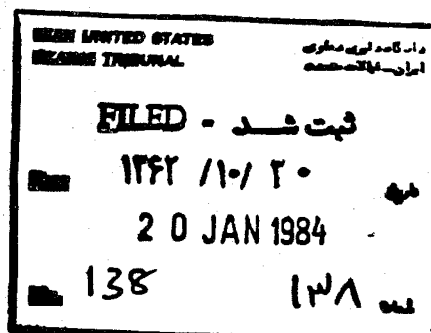
بدینوسیله نسخه اصلی قرارداد دحل و فصل
دعوی ۱۳۸ که از طرف سازمان صنایع
الکترونیک ایران بدفتر اینجانب
واصل شده است ایفا میشود.

Yours sincerely,

با احترام

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

محمد کریم اشراق
نماینده دولت جمهوری اسلامی ایران
در دادگاه دآوری دعاوی ایران
ایالات متحده.



In the Name of God
Honourable Judge G. Lagergren
President
Chamber No. 1
Iran - United States Claim Tribunal
The Hague

Dear Sir,

Re: Case No. 138

The Parties hereto have extensively discussed the issues of their claims and counterclaims and hereby do agree and respectfully request that the claim no.138 be reduced to an arbitral award in the amount of US Dollars 260,000.00 (Two hundred and sixty thousand Dollars) in favour of Herman Blum Consulting Engineers, Inc., which payment shall extinguish all present and future claims of the Parties against each other as fully set out in the attached Settlement Agreement Document and the accompanying amendment.

For Herman Blum Consulting
Engineers, Inc.

For Iran Electronics Industries

B.K. (Ken) Wallace

B.K. (KEN) WALLACE

DATE:

Chahardehi

ALI CHAHARDEHI

DATE: 6/6/83

IN THE NAME OF GOD

SETTLEMENT AGREEMENT DOCUMENT:

THIS SETTLEMENT AGREEMENT DOCUMENT IS ENTERED INTO ON THIS 22nd DAY OF OCTOBER 1981 CORRESPONDING TO 30th DAY MEHR 1360 BY AND BETWEEN:

HERMAN BLUM CONSULTING ENGINEERS (HBCE) IRAN BRANCH, REPRESENTED BY MR. B.K. (KEN) WALLACE OF HBCE, DALLAS, TEXAS, HEREIN-AFTER REFERRED TO AS 'HBCE' ON THE ONE HAND, AND IRAN ELECTRONICS INDUSTRIES, REPRESENTED BY MR. M.J. RAZEGHI JAHROMI, HEREINAFTER REFERRED TO AS 'IEI' ON THE OTHER HAND, THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1 - THE VALIDITY OF THIS AGREEMENT DOCUMENT WOULD BE DEPENDENT UPON ITS RATIFICATION BY THE RELATED AUTHORITIES OF THE ISLAMIC REPUBLIC OF IRAN. AFTER SUCH RATIFICATION, THIS AGREEMENT DOCUMENT WOULD BE BINDING ON BOTH PARTIES.

ARTICLE 2 - 'IEI' SHALL WITHIN SIXTY (60) DAYS FROM THE DATE THIS AGREEMENT DOCUMENT IS SIGNED, ENDEAVOR TO OBTAIN THE RATIFICATION REFERRED TO IN ARTICLE ABOVE AND INFORM 'HBCE' BY TELEX.

ARTICLE 3 - BOTH PARTIES HAVE DISCUSSED ALL THE ISSUES PERTAINING TO THEIR CLAIMS AND COUNTER CLAIMS, AND ARE IN AGREEMENT THAT THE SUM OF U.S. DOLLARS 428,500 (FOUR HUNDRED TWENTY EIGHT THOUSAND FIVE HUNDRED) PAYABLE BY 'IEI' TO 'HBCE' WOULD REPRESENT THE TOTAL CLAIM AND COUNTER CLAIMS OF THE PARTIES AND PAYMENT

بنام خدا

موافقت نامه حل اختلاف :

این موافقت نامه در تاریخ ۲۲ اکتبر ۱۹۸۱ برابر با

۳۰ مهرماه ۱۳۶۰ بین

شرکت هرمن بلوم (اچ.بی.سی.ای) شعبه ایران
بنابندگی آقای ب. ک. (کن) والاس از هرمن بلوم
دالاس، تگزاس که از این به بعد اچ.بی.سی.ای
خوانده میشود از یکطرف و شرکت صنایع الکترونیک
ایران بنابندگی آقای محمد جمال رازقی جهرمی که
از این به بعد صا خوانده میشود از طرف دیگر شرح
زیر منعقد شد :

ماده ۱ - اعتبار این موافقت نامه منوط به تنفیذ
مقامات ذصلاح جمهوری اسلامی ایران بوده و پس از
تنفیذ برای طرفین معتبر و لازم الاجرا میباشد .

ماده ۲ - مهلت تنفیذ و اعلام آن تنفیذ
توسط تلکس به هرمن بلوم (۶۰) شصت روز پس
از امضای این موافقت نامه میباشد .

ماده ۳ - طرفین کلیه دعاوی و دعاوی متقابل
خویش را مورد بحث قرارداد داده و پس از رسیدگی کامل
بدینوسیله توافق دارند که با قبول پرداخت
چهارصد و بیست و هشت هزار و پانصد دلار
(۴۲۸,۵۰۰ دلار) توسط صا به اچ.بی.سی.ای
کلیه اختلافات موجود حل و فصل گردیده است .

۱۲/۸/۸۲ ۳۱/۱۰/۸۱
مهرماه ۱۳۶۰
۱۹/۸۲

OF SUCH SUM BY 'IEI' TO 'HBCE' WOULD CAUSE ALL CLAIMS AND COUNTER CLAIMS EXISTING AT THE TIME THIS AGREEMENT DOCUMENT IS SIGNED, AND ALL FUTURE CLAIMS OF THE PARTIES, TO BE EXTINGUISHED.

و با پرداخت این مبلغ کلیه ادعاهای موجود بین طرفین و هرگونه ادعائی در آینده بی اعتبار خواهد بود.

ARTICLE 4 - AFTER THE VALIDITY OF THIS AGREEMENT DOCUMENT HAS BEEN ACHIEVED INCLUDING THE PAYMENT, ALL CLAIMS OF THE PARTIES AGAINST ONE ANOTHER WHETHER OR NOT FILED AT ANY PROPER FORUM, SHALL BECOME VOID AND INEFFECTIVE, AND FILED CLAIMS SHALL IMMEDIATELY BE WITHDRAWN.

ماده ۴ - پس از اعتبار این موافقتنامه منجمه پرداخت کلیه دعاوی طرفین علیه یکدیگر چه در مراجع قضائی مطرح شده باشد یا نشده باشد از درجه اعتبار ساقط است و چنانچه در مراجع قضائی مطرح شده باشد بایستی مسترد گردد.

ARTICLE 5 - 'HBCE' CONCURS THAT THE COMPROMISED AMOUNT AS INDICATED IN ARTICLE 3 COMPRISES AND SETTLES ALL THE ISSUES AT DISPUTE TO-DATE EXISTING BETWEEN 'IEI' AND 'HBCE' AND 'HBCE' UNDER ANY EXISTING CONTRACT OR CLAIMED CONTRACT AND THEREFORE, 'HBCE' SHALL HAVE NO FURTHER CLAIMS AGAINST 'IEI', THE ISLAMIC REPUBLIC OF IRAN, AND OTHER IRANIAN GOVERNMENT AGENCIES.

ماده ۵ - اج. بی. سی. ای بدینوسیله اقرار و اعتراف مینماید که مبلغ توافق شده در ماده ۳ تمام اختلافات مربوط به قراردادهای موجود و قراردادهای ادعائی بین اج. بی. سی. ای و صا را شامل شده و حل و فصل میکند و لذا تا این تاریخ دیگر هیچگونه ادعائی علیه صا و دولت جمهوری اسلامی ایران و سازمانهای وابسته نخواهد داشت.

ARTICLE 6 - 'HBCE' SHALL UNDERTAKE TO CLARIFY ITS POSITION AS REGARDS ALL IRANIAN TAXES AND SOCIAL SECURITY LIABILITIES WITHIN SIXTY (60) DAYS FROM THE DATE THIS AGREEMENT DOCUMENT IS SIGNED. 'HBCE' SHALL ACCORDINGLY PRESENT 'IEI' WITH THE NECESSARY DOCUMENTATION AS TO SETTLEMENT OF SUCH LIABILITIES AND 'IEI' SHALL MAKE PAYMENT OF SUCH LIABILITIES ON BEHALF OF 'HBCE' AND SUCH PAYMENTS SHALL THEN BE DEDUCTED FROM THE AMOUNT PAYABLE BY 'IEI' TO 'HBCE' AS MENTIONED IN ARTICLE 3 OF THIS AGREEMENT DOCUMENT.

ماده ۶ - اج. بی. سی. ای تعهد مینماید که ظرف مدت ۶۰ روز از تاریخ امضای این موافقتنامه وضعیت مالیاتی و بیمه صا اجتماعی خود را روشن نموده و مدارک انرا به صا ارائه دهد و صا از طرف اج. بی. سی. ای کلیه موارد فوق را برداشت نموده و از مبلغ مندرج در ماده ۳ کسر مینماید و بقیه را به اج. بی. سی. ای خواهد پرداخت.

17/8/82
م. حسن رازی
19/8/82
حسن رازی
م. حسن رازی

ARTICLE 7 - THE NET AMOUNT PAYABLE TO 'HBCE' CONSIDERING THE PROVISIONS OF ARTICLE 6 ABOVE, SHALL BE PAID BY 'IEI' THROUGH THE ESCROW ACCOUNT PROVIDED FOR UNDER THE DECLARATION OF THE DEMOCRATIC AND POPULAR REPUBLIC OF ALGERIA, OR ANY OTHER SOURCE AVAILABLE TO 'IEI'.

ARTICLE 8 - AFTER (a) RATIFICATION BY RELATED AUTHORITIES OF THE ISLAMIC REPUBLIC OF IRAN AND (b) PRESENTATION OF THE DOCUMENTATION OF THE IRANIAN TAX LIABILITIES BY 'HBCE', IF THE PAYMENT IS NOT FORTHCOMING WITHIN NINETY (90) DAYS. 'IEI' WILL WITHIN THIRTY (30) DAYS FROM THAT DATE MAKE PAYMENT TO 'HBCE' FROM OTHER FUNDS AVAILABLE TO 'IEI'.

ARTICLE 9 - ALL AND ANY CHANGES MADE TO THIS AGREEMENT DOCUMENT SHALL BE IN WRITING AND SIGNED BY THE AUTHORIZED REPRESENTATIVES OF BOTH PARTIES.

ARTICLE 10 - THE OFFICIAL ADDRESSES OF THE PARTIES ARE:

IRAN ELECTRONICS INDUSTRIES
NIMROOZ BOULEVARD, AGHDASSIEH
TEHRAN, IRAN
TELEX NO: 212199 IEI IR

HERMAN BLUM CONSULTING ENGINEERS,
1801 NORTH LAMAR STREET
DALLAS, TEXAS 75202 U.S.A.
TELEX NO: 6829033 ANSCO UW

ماده ۷ - مبلغ قابل پرداخت با توجه به ماده ۶ این موافقتنامه از حساب بانکی پیش‌بینی شده در بیانیه جمهوری دموکراتیک و مردمی الجزایر با هر منبع دیگری که با تشخیص دهد پرداخت خواهد شد.

ماده ۸ - چنانچه ظرف مدت ۹۰ روز از تاریخ (الف) تنفیذ این موافقتنامه توسط مقامات جمهوری اسلامی ایران و (ب) ارائه مدارک مربوط به وضعیت تعهدات مالیاتی توسط اچ.بی.سی.ای پرداخت صورت نگیرد، در ظرف روز از پایان مدت فوق از منابع دیگر که در اختیار ما باشد پرداخت را انجام خواهد داد.

ماده ۹ - هر نوع تغییر در این موافقتنامه کتبی و با امضای مجاز نمایندگان طرفین خواهد بود.

ماده ۱۰ - نشانی رسمی طرفین بشرح ذیل است:

شرکت صنایع الکترونیک ایران
بلوار نیمروز - اقدسیه

تهران - ایران
شماره تلفن ۲۱۲۱۹۹ - ایران

مهندسین مشاور هرمن بلوم

شماره ۱۸۰۱ خیابان نورث لامار

دالاس - تگزاس - ۷۵۲۰۲ ایالات متحده آمریکا

شماره تلکس ۲۹۰۳۳ آ.ان.اس.سی.او بوداپست

۱۳۸۱/۱۰/۱۰
۱۳۸۱/۸/۱۷

۱۳۸۱/۹/۱۷
تکلیف

ALL NOTICES AND OTHER CORRESPONDENCE
RELATIVE TO THIS AGREEMENT SHALL BE
MADE IN THE ENGLISH LANGUAGE BY
TELEX AND IMMEDIATELY CONFIRMED BY
REGISTERED AIR MAIL LETTER.

کلیه اطلاعیه ها و مکاتبات مربوط به این قرارداد
به زبان انگلیسی و توسط تلکس خواهد بود که
متعاقبا توسط نامه سفارشی هوایی تأیید
خواهد شد.

ARTICLE 11 - THIS AGREEMENT, WHICH
IS DRAWN UP IN THE FARSI AND ENGLISH
LANGUAGE WITH ELEVEN (11) ARTICLES,
COMPRISES THE FULL AND COMPLETE
UNDERSTANDING OF THE PARTIES HERETO
WITH RESPECT TO THE SUBJECT MATTER
OF THIS AGREEMENT. THE AGREEMENT
IS PREPARED IN FOUR (4) COPIES AND
EACH PARTY SHALL HAVE TWO (2).

ماده ۱۱ - این موافقتنامه که به زبانهای
انگلیسی و فارسی و در یازده ماده تنظیم شده
است مشتمل بر توافق تام و تمام طرفین در خصوص
موضوع این موافقتنامه میباشد. توافق نامه
در چهار نسخه تهیه شده و هر یک از طرفین
دو نسخه در اختیار خواهند داشت.

SIGNED 22nd OCTOBER 1981

تاریخ ۳۰ مهرماه ۱۳۶۰

IRAN ELECTRONICS INDUSTRIES

Razeghi

BY M.J. Razeghi

HERMAN BLUM CONSULTING ENGINEERS

B. K. (Ken) Wallace

BY B.K. (KEN) WALLACE

B. K. (Ken) Wallace

TWELFTH AUGUST 1982

صنایع الکترونیک ایران

عادل رازی

توسط م. ج. رازی

مهندسین مشاور هرمن بلوم

توسط ب. ک. (کن) والاس

In the name of God.

Amendment to Settlement Agreement of 22nd October 1981 between Herman Blum Consulting Engineers, Inc. represented by B.K. (Ken) Wallace and Iran Electronics Industries represented by Mr. Ali Chahardehi.

Both parties being desirous of an early conclusion to the Settlement Agreement, do hereby agree that the Settlement Agreement is amended as follows:

1. Article 8 is deleted in its entirety.
2. Article 3 is amended to read as follows:

"Both parties have discussed all the issues pertaining to their claims and counterclaims, and are in agreement that the sum of U.S. Dollars 428,500 (Four Hundred Twenty Eight Thousand Five Hundred) payable by 'IEI' to 'HBCE' would represent the total claim and counter claims of the parties and payment of the net price of U.S. Dollars 260,000 (Two Hundred Sixty Thousand) by 'IEI' to 'HBCE' would cause all claims and counter claims currently existing among the parties or their representatives and including all claims and counter claims that have been filed by 'HBCE' or its representatives, successors and/or assigns, and 'IEI' or its representatives, successors and/or assigns, against one another, and all future claims of the parties hereto, to be extinguished.

Payment of the Net Price of U.S. Dollars 260,000 (Two Hundred Sixty Thousand) would further extinguish any and all, present and future claims of 'HBCE', its successors and/or assigns on the one hand against the Islamic Republic of Iran, and other Iranian Government agencies and any and all present and future claims of The Islamic Republic of Iran and other Iranian Government agencies on the one hand, against 'HBCE' its successors and/or assigns, in relation to the issues of the contracts by and between 'HBCE' and 'IEI'."

3. Both parties have discussed the matters of Iranian taxes and Social Security obligations. It is mutually agreed that obligations of 'HBCE' amount to U.S. Dollars 168,500 (One Hundred Sixty Eight Thousand Five Hundred) which amount is to be deducted from the previously agreed U.S. Dollars 428,500 (Four Hundred Twenty Eight Thousand Five Hundred) for a net price of U.S. Dollars 260,000 (Two Hundred Sixty Thousand).

'HBCE' hereby appoints 'IEI' to represent 'HBCE' before appropriate Iranian authorities regarding the settlement of these obligations.

BK
6/6/83

4. Article 7 is deleted in its entirety and following is the wording of Article 7 as agreed.

After ratification of this Settlement Agreement document and accompanying amendment by the related Iranian authorities, this Settlement Agreement document and accompanying amendment, as provided for in Article 9, will be presented to the Tribunal with a request jointly signed by 'HBCE' and 'IEI' that Claim No. 138 be reduced to an arbitral award in the amount of the net price, U.S. Dollars 260,000 (Two Hundred Sixty Thousand), the Tribunal, on its own merits having acquired jurisdiction pursuant to the terms and conditions of the declaration, shall then make an arbitral award in favour of 'HBCE'. Such award to be paid out of the escrow account established pursuant to the declaration.

5. Article 10 of the Settlement Agreement is changed to reflect new address of 'HBCE' as follows:

Herman Blum Consulting Engineers, Inc.
4144 North Central Expressway
Suite 400, L.B. 59
Dallas, Texas 75204 U.S.A.
Telephone 214/821-8010
Telex - 6829033 ANSCO UW

Signed 6 June 1983

Iran Electronics Industries
By: Ali Chahardehi,

Chahardehi

Herman Blum Consulting Engineers, Inc.
By: B.K. (Ken) Wallace

B.K. (Ken) Wallace

ATT: MR. M.J. RAZEGAI, MANAGER
REF. UR TELEX T 27-71

REFERENCE IS MADE TO THE AMENDMENT TO SETTLEMENT AGREEMENT OF OCTOBER 22, 1981. NO. 2, REFERENCE ARTICLE 3, SECOND PARAGRAPH WHICH PROVIDES:

"PAYMENT OF THE NET PRICE OF U.S. DOLLARS 250,000 (TWO HUNDRED SIXTY THOUSAND) WOULD FURTHER EXTINGUISH ANY AND ALL, PRESENT AND FUTURE CLAIMS OF 'HBCE', ITS SUCCESSORS AND/OR ASSIGNS ON THE ONE HAND AGAINST THE ISLAMIC REPUBLIC OF IRAN, AND OTHER IRANIAN GOVERNMENT AGENCIES AND ANY ALL PRESENT AND FUTURE CLAIMS OF THE ISLAMIC REPUBLIC OF IRAN AND OTHER IRANIAN GOVERNMENT AGENCIES ON THE ONE HAND, AGAINST 'HBCE' ITS SUCCESSORS AND/OR ASSIGNS, IN RELATION TO THE ISSUES OF THE CONTRACTS BY AND BETWEEN 'HBCE' AND 'IEI'."

WE CERTAINLY ASSUMED THAT THIS PHRASEOLOGY SETTLED ALL CLAIMS AGAINST ALL PARTIES TO CLAIM 138 BY HBCE AND ALL COUNTERCLAIMS AGAINST HBCE BY ALL PARTIES TO CLAIM 138.

IN ACCORDANCE WITH YOUR REQUEST AT THIS TIME WE REITERATE OUR UNDERSTANDING THAT THE PAYMENT OF THE 250,000 U.S. DOLLARS WILL EXTINGUISH ANY AND ALL CLAIMS BY AND BETWEEN THE PARTIES TO CASE 138. THEREFORE, WE PROPOSE TO INCLUDE THE FOLLOWING LANGUAGE AS PART OF THE SETTLEMENT AGREEMENT:

"HBCE AGREES TO RELEASE IEI, INC, THE GOVERNMENT OF IRAN, ITS ASSOCIATED AGENCIES AND MINISTRIES, IN RETURN FOR THE MUTUAL RELEASE OF HBCE BY THOSE ENTITIES, OF AND FROM ANY AND ALL CLAIMS, SUITS, DEMANDS OR ACTIONS, WHETHER NOW KNOWN OR HEREAFTER KNOWN WHICH AROSE PRIOR TO THE DATE OF SATISFACTION OF THE AGREEMENT."

THE SPIRIT OF COOPERATION EXHIBITED AT ALL TIMES BY YOU, MR. CHAHARDEHI AND OTHERS HAS BEEN SINCERELY APPRECIATED, PARTICULARLY YOUR RECENT ENDEAVORS AS OUTLINED IN YOUR TELEX. THIS MATTER HAS NOW GONE ON LONG ENOUGH AND HAS CERTAINLY TAKEN UP TOO MUCH TIME AND EXPENSE. I TRUST THAT THIS COMMUNICATION WILL BE TO YOUR SATISFACTION AND FINALLY RESOLVE ANY AMBIGUITIES IN THE SETTLEMENT AGREEMENT.

WE PRESUME YOU WILL FORWARD US A COPY OF YOUR TRANSMITTAL OF THE REQUEST FOR ARBITRAL AWARD TO THE TRIBUNAL.

WITH KIND REGARDS,

FEN WALLACE

FARNAL WALL CONSULTING ENGINEERS, INC.

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