

ORIGINAL DOCUMENTS IN SAFECase No. 310Date of filing: 30.4.87

** AWARD - Type of Award on Agreed Terms
- Date of Award 30.4.87
4 pages in English _____ pages in Farsi

** 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

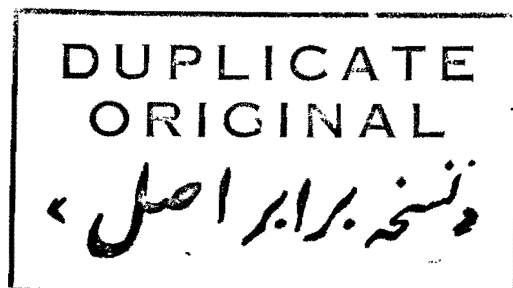
** DISSENTING OPINION of _____
- Date _____
_____ pages in English _____ pages in Farsi

** OTHER; Nature of document: _____

- Date _____
_____ pages in English _____ pages in Farsi

IRAN-UNITED STATES CLAIMS TRIBUNAL

دیوان دآوری دعاوی ایران - ایالات متحدہ



CASE NO. 310

CHAMBER TWO

AWARD NO. 305-310-2

J.I. CASE COMPANY,

Claimant,

and

ARYAN YADAK COMPANY (formerly
TECHNO-IS CO., INC.),

THE ISLAMIC REPUBLIC OF IRAN,

Respondents.

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه دآوری دعاوی ایران - ایالات متحدہ
شماره ثبت شد - FILED	
Date	30 APR 1987 تاریخ
No.	۱۳۶۶ / ۲ / ۱۰ شماره
310	

AWARD ON AGREED TERMS

1. J.I. CASE COMPANY on its own behalf (hereinafter referred to as the "Claimant") and ARYAN YADAK COMPANY, formerly TECHNO-IS CO., INC. (hereinafter referred to as the "Respondent") have entered into a Settlement Agreement dated 22 January 1987 and filed on 31 March 1987 ("the Settlement Agreement") resolving the matters in dispute between them. Under the terms of the Settlement Agreement, the Claimant and the Respondent have agreed, inter alia, that the Respondent shall pay the Claimant the amount of U.S.\$4,186,000 in full and final settlement of all disputes, differences, claims and counterclaims arising out of the transactions, events, relationships between the Parties in Case No. 310. The Claimant and the Respondent have agreed further that upon the payment of the settlement amount, all the cranes which have been the subject of Case No. 310 shall become the exclusive property of the Respondent and that the Claimant shall indemnify the Government of the Islamic Republic of Iran, Iranian entities and instrumentalities against any claims that may be raised by the Claimant or third persons in connection with the Statement of Claim in this Case and covered by the Settlement Agreement.

2. On 31 March 1987 the Parties filed a Joint Request, signed by representatives of the Claimant on the one hand and of the Respondent and the Agent of the Islamic Republic of Iran on the other for an Arbitral Award on Agreed Terms to be rendered, recording and giving effect to the Settlement Agreement pursuant to Article 34(1) of the Tribunal Rules. Copies of the Joint Request and the Settlement Agreement are attached hereto.

3. Article 2 of the Settlement Agreement provides that all promissory notes issued by the Respondent in favor of the Claimant prior to 19 January 1981 and not paid before the date of the Settlement Agreement shall become null and void

and without value. It further provides that such bonds must be placed at the disposal of the Tribunal, and shall be delivered to the Respondent through the Agent of the Islamic Republic of Iran upon the issuance of the Award on Agreed Terms.

4. The Tribunal has satisfied itself that it has jurisdiction in this matter within the terms of the Claims Settlement Declaration.

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

6. For the foregoing reasons,

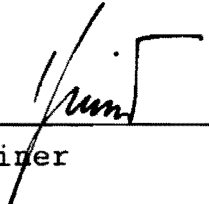
THE TRIBUNAL AWARDS AS FOLLOWS:

The Settlement Agreement filed with the Joint Request is hereby recorded as an Award on Agreed Terms, binding on the Parties in full settlement of the entire Case. Consequently, the Respondent ARYAN YADAK COMPANY shall pay the Claimant J.I. CASE COMPANY the amount of Four Million One Hundred Eighty Six Thousand United States Dollars (U.S.\$4,186,000), 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.

The Co-Registrars are hereby instructed to deliver to the Agent of the Islamic Republic of Iran the bonds deposited by the Claimant with the Tribunal's Registry on 29 April 1987.

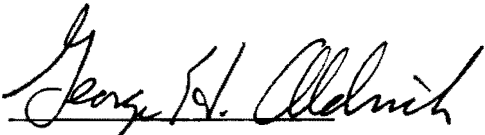
This Award is hereby submitted to the President of the Tribunal for the purpose of notification to the Escrow Agent.

Dated, The Hague
30 April 1987



Robert Briner
Chairman

In the name of God,



George H. Aldrich



Hamid Bahrami-Ahmadi

IN HIS EXALTED NAME

IRAN-U.S. CLAIMS TRIBUNAL, THE HAGUE HOLLAND
CHAMBER TWO
CASE NO.310

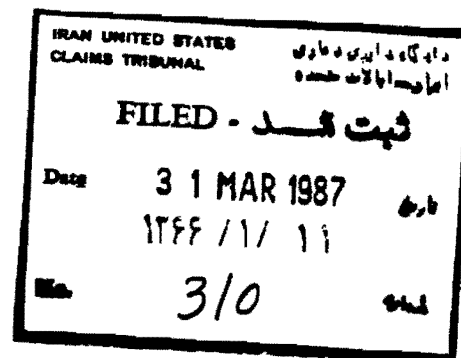
J.I. CASE COMPANY,

Claimant,

-and-

ISLAMIC REPUBLIC OF IRAN,
ARYAN YADAK COMPANY (formerly
TECHNO-IS COMPANY),

Respondents.



SUBJECT: JOINT REQUEST FOR AN ARBITRAL AWARD ON
AGREED TERMS

Pursuant to Article 34 of the Tribunal Rules, the Aryan Yadak Company (formerly Techno-Is Company) and the Islamic Republic of Iran, and the J.I. Case Company, jointly request that the Tribunal issue an arbitral Award on Agreed Terms that will record and give effect to the Agreement and mutual accord reached between the parties to the Case No.310.

On January 22, 1987, the J.I. Case Company, Claimant, and the Aryan Yadak Company (formerly Techno-Is) Respondent entered into a Settlement Agreement, a copy of which

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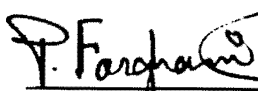
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is attached hereto, wherein it was agreed, inter alia, that the J.I. Case Company shall be paid the amount of four million one hundred and eighty six thousand United States dollars (US\$4,186,000) in complete and final settlement of all claims asserted or not yet asserted in connection with Case No.310.

The undersigned request the Tribunal to record the Settlement Agreement as an Award on Agreed Terms, with the Settlement Amount to be made to the Claimant, J.I. Case Company, out of the Security Account which was opened pursuant to Article VII of the Declaration of the Popular and Democratic Republic of Algeria dated 19 January 1981 (9 Deymah 1359).


Representative of
J.I. Case Company


Agent of the Government of
the Islamic Republic of Iran
to the Iran-U.S. Claims
Tribunal
30-3-87


Representative of Aryan Yadak
Company (formerly Techno-Is
Company)

18/2

CLAIMS TRIBUNAL		ایران - ایالات متحده
ثبت شد - FILED		
Date	31 MAR 1987	تاریخ
	۱۳۶۶ / ۱۱ / ۱۱	
No.	310	شماره

SETTLEMENT AGREEMENT

This Agreement was entered into on January 22, 1987 (2.11.1365) by and between J.I. Case Company (hereinafter "Claimant") and Aryan Yadak Company (formerly Techo-Is Company) (hereinafter "Respondent").

WHEREAS, J.I. Case has filed a claim that has been docketed with the Iran-U.S. Claims Tribunal ("the Tribunal") as Case No.310 ("Case 310");

WHEREAS, Aryan Yadak Company (formerly Techno-Is) and the Islamic Republic of Iran have filed a Statement of Defence and asserted a Counterclaim against J.I. Case Company;

WHEREAS, the Parties to this Agreement wish to settle the above case filed with the Tribunal;

NOW THEREFORE, the Parties to this Agreement agree to settle Case 310 in exchange for the consideration, and under the terms and conditions, set forth below.

ARTICLE 1: PAYMENT

A. In full and final settlement of all outstanding claims

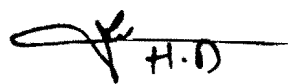
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and disputes arising or capable of arising out of the past business relationship between the Parties, including but not limited to the claim filed with the Iran-U.S. Claims Tribunal by J.I. Case in Case No.310, J.I. Case shall be paid the sum of four million one hundred and eighty six thousand United States dollars (US\$4,186,000) hereinafter the "Settlement Amount" out of the Security Account. Under no circumstances shall J.I. Case be paid any monies in excess of the said Settlement Amount.

B. The Parties agree to submit, as soon as practicable, but not later than April 1, 1987, this Settlement Agreement to be recorded as an Arbitral Award on Agreed Terms. If for any reason the Settlement Agreement is not submitted to the Tribunal by April 1, 1987, this Agreement shall be null and void ab initio.

C. Aryan Yadak Company (formerly Techno-Is) shall pay to Bank Markazi Iran the Rial equivalent of the Settlement Amount and will obtain Bank Markazi's approval for payment of the Settlement Amount to J.I. Case out of the Security Account. Submission of this Settlement Agreement by the Agent of the Government of the Islamic Republic of Iran shall signify that such approval has been obtained.

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D. The Parties confirm that all applicable Iranian taxes have been taken into account in reaching the Settlement Amount. Any taxes and duties which are due the Ministry of Finance and the Social Insurance Organization and may be demanded from the Claimant company in connection with the present case shall be paid by the Respondent company (Aryan Yadak). Should there be any taxes imposed on the Settlement Amount by any countries other than Iran, J.I. Case shall be responsible for payment thereof.

ARTICLE 2: NEGOTIABLE BONDS

All promissory notes issued by the Respondents in favor of the Claimant prior to 19 January 1981, but not paid upon before the date of this Settlement Agreement, shall hereby become null and void and without value. Such bonds must be placed at the disposal of the Tribunal for transfer to Aryan Yadak (Techno-Is). The Tribunal shall hand over these bonds to the Agent of the Islamic Republic of Iran upon the issuance of the Award on Agreed Terms.

Aryan Yadak (Techno-Is) assumes no liability whatsoever for payment of such negotiable bonds issued by Techno-Is (Aryan Yadak) in favor of the Claimant, banks, or any persons

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182

in whose names they may have been endorsed or who may hold them. J.I. Case shall indemnify Aryan Yadak (Techno-Is) against any claims or payments in this connection.

J.I. Case shall assume liability for any payments of this kind occurring after the date of entry into force of this Agreement.

ARTICLE 3: RELEASE AND TERMINATION OF PROCEEDINGS

A. Payment of the Settlement Amount to J.I. Case shall terminate the proceedings in Case 310 and shall constitute complete and final settlement of all claims and counter-claims now outstanding or capable of arising in connection with Case 310 or with any other dispute between the Parties.

B. Upon full and final payment of the Settlement Amount to J.I. Case, Respondent shall on their own behalf and on behalf of their subsidiaries, affiliates, directors, officers and employees (and on behalf of their successors, assigns and subsidiaries), by this Agreement release and forever discharge Claimant and its subsidiaries, affiliates, directors, officers and employees (and their successors, assigns and subsidiaries), from any and all liability that they may have had in the past, may now have, or may hereafter have, or that may be capable of arising out of their past transactions or events that are the subject of Case 310.

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C. Upon full and final payment of the Settlement Amount to J.I. Case, J.I. Case shall for its own part, and on behalf of its subsidiaries, affiliates, directors, officers, and employees (and on behalf of its successors and assigns and of their subsidiaries and affiliates), by this Agreement release and forever discharge the Respondent in Case 310 and their agencies, instrumentalities, subsidiaries and affiliates, from any and all liability that they may have had in the past, may now have, or may hereafter have, or that may be capable of arising out of their past transactions or events that are the subject of Case 310. Further, upon receipt of the Settlement Amount, the Claimant (J.I. Case) shall for its own part and for that of the above-mentioned persons release and discharge, in connection with Case 310, the Government of the Islamic Republic of Iran and all of the political subdivisions, agencies, entities and instrumentalities which are under the control of the Government of Iran, from any and all liability which they have had until now, now have, or may hereafter have, as well as from any and all liability which they might incur in connection with events prior to the date of this release.

D. Should any claim against the Respondent company and the Government of the Islamic Republic of Iran by a third

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party be now pending or be filed in the future with any court or judicial forum in connection with Case 310 and the Parties' past dealings, on the basis of an assignment or transfer of rights of any kind by the Claimant Company, or on any similar ground relating to Claim No.310, J.I. Case Company shall necessarily be answerable for all such claims; moreover, it accepts and takes upon itself responsibility for any damages accruing to the Respondent or to the Government of the Islamic Republic of Iran resulting from any liability of the latter Parties for any such claims.

E. Upon full and final payment of the Settlement Amount to J.I. Case, all the cranes which have been the subject of Case 310 shall become the exclusive property of Aryan Yadak (formerly Techno-Is), and J.I. Case shall have no right of claim whatsoever with respect to said cranes.

F. The releases set forth in this Agreement shall be self-executing upon full and final payment of the Settlement Amount to J.I. Case.

G. Upon full and final payment of the Settlement Amount to J.I. Case, J.I. Case and the Respondent shall each waive any and all claims for costs, including attorneys'

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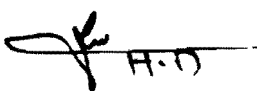
fees, arising out of or related to the arbitration or prosecution of the claims or counterclaims asserted (or which could have been asserted) before the Tribunal or elsewhere in connection with Case 310 or with any other claim of J.I. Case and Aryan Yadak (Techno-Is) against one another.

H. This Settlement Agreement is for the sole purpose of settling the dispute at issue in Case No.310. Nothing in this Settlement Agreement shall be relied upon or construed as relevant to or to affect in any way any argument Respondent or the Islamic Republic of Iran, its agencies, instrumentalities, entities have raised, or may raise, concerning the jurisdiction or the merits of other cases whether before the Tribunal or any other forum.

ARTICLE 4: OTHER MATTERS

A. This Agreement is valid only in its entirety. None of the terms and provisions thereof may be interpreted separately or changed, except by the written agreement of the Parties.

B. If the Tribunal does not record this Settlement Agreement as an Arbitral Award on Agreed Terms on or before

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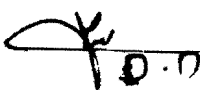


May 1, 1987, this Agreement shall become null and void ab initio. Naturally, upon the Tribunal's approval of the Settlement Agreement as an Award on Agreed Terms, the Parties expect payment to be made of the Settlement Amount to the Claimant quickly thereafter. However, if for any reason payment of the Settlement Amount is not made to the Claimant within fifteen (15) days after issuance of an Award on Agreed Terms, this Agreement shall become null and void ab initio, and this Agreement shall not prejudice the position of the Claimant and Respondent in any future proceedings in Case No.310.

C. This Agreement has been written and signed in both the English and Farsi languages and each version is of equal validity.

ARTICLE 5: CONFIDENTIALITY OF THE AGREEMENT

A. Prior to the full and final payment of the Settlement Amount to J.I. Case, the Parties to this Agreement shall not refer to or divulge the contents of this Agreement (except for submission to the Tribunal), or of documents generated solely for purposes of settlement negotiations, or of discussions in the course of settlement negotiations, in any pending or future proceeding before the Tribunal or elsewhere.

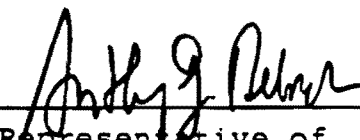
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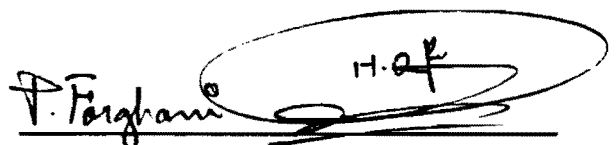
B. J.I. Case and Aryan Yadak (Techno-Is) shall not use, or cause any third party to use, this Settlement Agreement in the prosecution or defence of any other claim before the Tribunal or before any other court or judicial forum.

ARTICLE 6: AUTHORITY

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



Representative of
J.I. Case Company



Representative of
Aryan Yadak Company (formerly
Techno-Is Company)

