

ORIGINAL DOCUMENTS IN SAFECase No. 311Date of filing: 1 APRIL 85

** AWARD - Type of Award on Agreed Terms
- Date of Award 1 APRIL 85
3 pages in English 3 pages in Farsi

** DECISION - Date of Decision X
 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

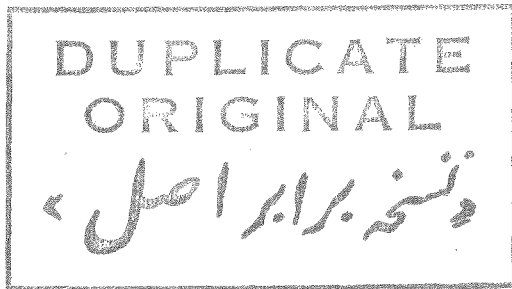
** DISSENTING OPINION of
- Date
 pages in English pages in Farsi

** OTHER; Nature of document:

- Date
 pages in English pages in Farsi

IRAN-UNITED STATES CLAIMS TRIBUNAL

ایران - ایالات متحده



CASE NO. 311

CHAMBER THREE

AWARD NO. 170-311-3

ENSERCH SERVICE COMPANY OF IRAN,
Claimant,

and

NATIONAL IRANIAN GAS COMPANY,
NATIONAL IRANIAN OIL COMPANY, and
THE ISLAMIC REPUBLIC OF IRAN,
Respondents.

IRAN UNITED STATES CLAIMS TRIBUNAL		دادگاه دایری دعاوی ایران - ایالات متحده	
ثبت شد - FILED			
Date	1 APR 1985	تاریخ	
	۱۳۶۴ / ۱ / ۱۴۱		
File	311	شماره	

AWARD ON AGREED TERMS

On 4 March 1985 ENSERCH SERVICE COMPANY OF IRAN, Claimant, and THE ISLAMIC REPUBLIC OF IRAN, NATIONAL IRANIAN GAS COMPANY and NATIONAL IRANIAN OIL COMPANY, Respondents, filed a Joint Request for Arbitral Award on Agreed Terms together with a Settlement Agreement, a Waiver of Claims concerning Case No.311, and certain other documents appended hereto.

The Joint Request was signed by the Agent of the Islamic Republic of Iran, Representatives of the National Iranian Oil Company and National Iranian Gas Company, for Respondents and by the Representatives of the Claimant. The Settlement Agreement was signed by the Representatives of the National Iranian Oil Company and National Iranian Gas Company, for the Respondents and by the Representatives of the Claimant.

The Joint Request and the Settlement Agreement (Article Two) provide that "the Parties shall waive, withdraw and dismiss, forever and with prejudice all and any disputes, differences, Claims and Counterclaims now existing or capable of arising out of or in connection with... Claim No. 311".

According to Article Seven of the Settlement Agreement this waiver also comprises "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, U.S. Courts or elsewhere with respect to matters involved", inter alia, in Case No. 311.

Provisions similar to those quoted above are contained in the Waiver of Claims attached to the Settlement Agreement.

According to Article Eight of the Settlement Agreement, the Parties shall indemnify and hold harmless each other

against any Claims which a Party may raise or take against an opposite Party "under the same cause or causes of action contained in the Claims Nos...311 and transfers [of certain shares and property interests] pursuant to Article Five" of the Settlement Agreement. A Party includes its subsidiaries and affiliated entities as defined in Article Eight.

The Tribunal notes that the Settlement agreement does not include any financial obligations.

The Tribunal has satisfied itself that an Award on Agreed Terms can be rendered pursuant to the Settlement Agreement.

For the foregoing reasons,

THE TRIBUNAL AWARDS AS FOLLOWS:

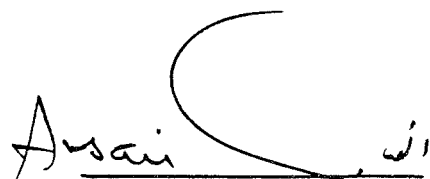
The Settlement Agreement filed with the Joint Request is, pursuant to Article 34(1) of the Tribunal Rules, hereby accepted and recorded as an Award on Agreed Terms, binding on the Parties, in complete and final Settlement of all Claims and Counterclaims now existing or capable of arising in connection with Case No. 311.

Dated, The Hague
01 April 1985

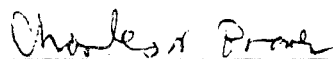


Nils Mangård
Chairman
Chamber Three

In the name of God



Parviz Ansari Moin



Charles N. Brower

THE HAGUE, THE NETHERLANDS

IRAN UNITED STATES
CLAIMS TRIBUNAL

ثبت شد - FILED

4 MAR 1985

۱۳۶۳ / ۱۲ / ۱۳

Claim no. 446

Chamber No. 2

ENSERCH CORPORATION

AND CYRUS V. HELM,

Claimants

THE ISLAMIC REPUBLIC OF IRAN,
NATIONAL IRANIAN OIL COMPANY AND
IRANO-INTAIRDRIIL, S.S.K.

Respondents

and

Claim No. 311

Chamber No. 3

ENSERCH SERVICE COMPANY OF IRAN

Claimant

THE ISLAMIC REPUBLIC OF IRAN,
NATIONAL IRANIAN GAS COMPANY
NATIONAL IRANIAN OIL COMPANY

Respondents

JOINT REQUEST FOR ARBITRAL AWARD
ON AGREED TERMS

Pursuant to Article 34 of the Tribunal's Rules of Procedure, Enserch Corporation ("EC"), Cyrus V. Helm ("CVH") and Enserch Service Company of Iran ("ESC") and National Iranian Oil Company ("NIOC") and National Iranian Gas Company ("NIGC") jointly request that the Tribunal issue an Arbitral Award on Agreed Terms that will record and give effect to the Settlement Agreement reached by the parties to the Settlement Agreement.

On 23 January, 1985 EC, CVH, ESC on one part and NIOC and NIGC on the other, entered into a Settlement Agreement, a copy of which is attached hereto, providing that EC, CVH, ESC and NIOC and NIGC shall waive and withdraw all their claims and counterclaims filed with the Iran-U.S. Claims Tribunal ("the Tribunal") in complete and final settlement of all disputes, differences, claims and counterclaims now existing or capable of arising in connection with cases 446 and 311. The undersigned request the Tribunal to record the Settlement Agreement as an Arbitral Award on Agreed Terms.

Respectfully submitted,

ISLAMIC REPUBLIC OF IRAN

By Mohammad K. Eshragh
Agent to the Tribunal

NATIONAL IRANIAN OIL
COMPANY

By Shahin

NATIONAL IRANIAN GAS
COMPANY

By Shahin

Date 23 January, 1985

ENSERCH CORPORATION

By Galt
As per attached Power of
Attorney

CYRUS V. HELM

By Galt
As per attached Power of
Attorney

ENSERCH SERVICE COMPANY OF
IRAN

By Galt
As per attached Power of
Attorney

Date 23 January, 1985

IN THE NAME OF GOD

SETTLEMENT AGREEMENT

IRAN UNITED STATES CLAIMS TRIBUNAL		دفتر داوران و داور ایران ایالات متحده
ثبت شد - FILED		
Date	4 MAR 1985	تاریخ
	۱۳۶۳ / ۱۲ / ۱۳	
No.		شماره

This Settlement Agreement (the "Agreement") made this 23rd day of January 1985, by and between the National Iranian Oil Company ("NIOC") and the National Iranian Gas Company ("NIGC") (hereinafter collectively called "Respondents"), which for the purpose of this Agreement represent themselves, their affiliates and subsidiaries, and Enserch Corporation ("EC"), Cyrus V. Helm ("CVH") and Enserch Service Company of Iran ("ESC") and other companies named in the Statements of Claims Nos. 446 and 311 (whether named as Claimant or otherwise) (hereinafter collectively called "Claimants"), representing themselves, their subsidiaries, parents and affiliates, before the Iran-U.S. Claims Tribunal ("The Tribunal") in the above Claims 446 and 311.

WHEREAS, EC, CVH and ESC directly or on behalf of several other companies (as named in Claims Nos. 446 & 311) have raised certain claims against the government of Iran, NIOC, NIGC and Irano-Intairdril S.S.K. Company (I-I), a corporation organized under the laws of Iran, more particularly mentioned in Claims submitted to the Tribunal and registered under Nos. 446 and 311;

WHEREAS, Respondents have filed their Statement of Defence on jurisdiction and on the merits and Counterclaims in Claim 446 and Statement of Defence on jurisdiction in Claim 311 and have counterclaims with respect to Claim 311;

WHEREAS, the Parties have agreed to settle all their claims, disputes and/or counterclaims outstanding or capable of arising between the Parties and/or their affiliates and/or

their parents and/or their subsidiary companies (including I-I), in connection with Cases No. 311 and 446, and

WHEREAS, Article 34 of the Tribunal Rules, allows the Parties to make out-of-court settlements and, if requested by both Parties, the Tribunal may record the settlement in the form of an Arbitral Award on Agreed Terms.

THEREFORE, the Parties agree as follows:

Article One:

The Parties agree to submit, not later than 45 days from the date hereof, this Agreement to the Iran-United States Claims Tribunal to be recorded as an Arbitral Award on Agreed Terms.

Article Two:

In consideration of the covenants, promises and other agreements contained in this settlement agreement the Parties shall waive, withdraw and dismiss, forever and with prejudice all and any disputes, differences, claims and counterclaims now existing or capable of arising out of or in connection with Claim no. 446 and Claim no. 311.

Article Three:

Upon issuance of the Award on agreed terms, the Claimants and the Respondents shall cause, without delay and with prejudice, all proceedings between the Parties and against I-I, the Islamic Government of Iran and its 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 disputes, claims or counterclaims related to Claims Nos. 446 and 311 and/or any other past dealings.

Article Four:

Upon issuance of the Award on Agreed Terms, the Claimants or Respondents and Claimants's or Respondents's directors, officers, employees, successors, assigns, transferees, subsidiaries, affiliates, agents and parent companies (should there be any) shall have no right to make claims in the future against the Islamic Government of Iran and Iranian Governmental entities and instrumentalities and/or I-I and/or against each other or each other's directors, officers, employees, subsidiaries, affiliates, agents, parent companies, successors, assigns and transferees based on any rights or obligations, past or present and/or any other matter which has been raised or which could have been raised related to the subject matter of Claims Nos. 446 and 311 and/or any other past dealings.

Article Five:

- (i) Upon issuance of the Award on Agreed Terms, all titles, rights, benefits and interests of Claimants to their shares in I-I including property rights, rights of ownership, dividends not received by Claimants (declared or undeclared) and any other rights and interests, acquired as a result of holding such shares whether such rights or interests have been acquired or granted by law, agreement, the Articles of Association

of I-I or in any other way, shall be considered as transferred to the present Iranian shareholders of I-I or to any person that the Islamic Government of Iran may find appropriate. Therefore, the present Iranian shareholders of I-I or any other person designated by the Islamic Government of Iran are entitled to take all necessary steps to record such transfer.

- (ii) Upon issuance of the Award on Agreed Terms, all title, rights, benefit and interests of the Claimants to the Claimants' and I-I's remaining properties in Iran shall be considered as transferred to the present Iranian shareholders of the I-I or to any person that the Islamic Government of Iran may find appropriate.
- (iii) Upon issuance of the Award on Agreed Terms, all title, rights, benefit and interests of Respondents to I-I's one well services unit and two air packages in possession of EC or its affiliates outside Iran shall be considered as transferred to EC or such affiliate as EC may find appropriate.
- (iv) Claimants shall deposit with the Tribunal the share certificates of I-I, and a Quitclaim Bill of Sale for all their remaining properties in Iran and interests in I-I and in all their shares in I-I and the Tribunal shall deliver the same to Respondents upon issuance of the Award on Agreed Terms.

Article Six:

Upon issuance of the Award on Agreed Terms, the releases, dismissals, waivers, withdrawals and the transfer of shares, interests, rights, benefits and properties 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 document needs to be executed in implementing this Agreement.

Article Seven:

Upon issuance of the Award on Agreed Terms, the Parties in Claims Nos. 446 and 311 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, U.S. courts or elsewhere with respect to matters involved in these cases.

Article Eight:

- (i) Claimants shall indemnify and hold harmless Respondents, their subsidiaries, affiliates, assigns, transferees, successors, agents, their parent companies, their parent's affiliates, subsidiaries, assigns transferees successors and agents (the "Indemnified Respondents"), I-I and the Government of Islamic Republic of Iran, its entities and instrumentalities against any claim which Claimants, their subsidiaries, affiliates, assigns, transferees, successors, agents, their parent companies or their parent's subsidiaries, affiliates, assigns, transferees, successors and agents may raise or take against the Indemnified Respondents, I-I or the Government of Iran, its entities or instrumentalities under the same cause or causes of action contained in the Claims Nos. 446 and 311 and transfers pursuant to Article Five hereof.
- (ii) Respondents shall indemnify and hold harmless Claimants, their subsidiaries affiliates, assigns, transferees, successors, agents, their parent companies,

their parent's subsidiaries, affiliates, assigns, transferees, successors and agents (the "Indemnified Claimants") against any claims which Respondents, their subsidiaries, affiliates, assigns, transferees, successors, agents, their parent companies or their parent's subsidiaries, affiliates, assigns, transferees and agents, or which the Government of Iran, its entities or instrumentalities may raise or take against the Indemnified Claimants under the same cause or causes of action contained in the Claims Nos. 446 and 311 and transfers pursuant to Article Five hereof.

Article Nine:

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 effect any position of Parties in any matter other than Claims Nos. 446 and 311. The parties further agree that they shall not use, or cause any party to use this Settlement Agreement in the prosecution or defence of any other cases before the Iran-United States Claims Tribunal or any other forum, except that the Parties may use this Agreement for the purpose of implementing its terms.

Article Ten:

Unless otherwise agreed upon between the parties hereto this agreement shall become completely null and void if not approved by the appropriate Iranian authorities and if not filed by Respondents within 45 days from the date hereof and, in that event, no party to this Agreement may rely upon, cite or publish its terms.

Article Eleven:

For the purpose of construction and interpretation of this agreement the entire agreement and the articles thereof shall be read and construed as a whole.

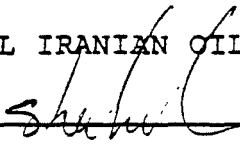
Article Twelve:

The representatives of the Parties hereto hereby expressly declare that they are duly empowered to sign this Agreement.

Article Thirteen:

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

NATIONAL IRANIAN OIL COMPANY

By 

NATIONAL IRANIAN GAS COMPANY

By 

ENSERCH CORPORATION

By 
As per attached Power of Attorney

CYRUS V. HELM

By 
As per attached Power of Attorney

ENSERCH SERVICE COMPANY OF IRAN

By 
As per attached Power of Attorney

Date 23 January, 1985

Date 23 January, 1985

WAIVER OF CLAIMS

WHEREAS ENSERCH Service Company of Iran (ENSERCH) a corporation organized and existing under the laws of the State of Texas, United States of America, has filed a claim before the Iran-U.S. Claims Tribunal (Case No. 311), and with U.S. courts arising out of a "Participation Agreement" and "Repayment Agreement" (collectively called "the Agreements") signed by and between ENSERCH and National Iranian Gas Co. ("NIGC");

WHEREAS ENSERCH in Case No. 311 and before U.S. courts took the position that, for various reasons which were set forth in the Statement of Claims, NIOC/NIGC were in breach of the Participation Agreement and therefore the loan amount and interest thereon under the Repayment Agreement plus additional damages in respect of other liabilities of NIOC/NIGC are due and payable to ENSERCH;

WHEREAS Repayment of the loan amount of six million two hundred and fifty two thousand nine hundred and twenty U.S.\$ and twenty one cents (U.S. \$6,252,920.21) and the interest thereon was, pursuant to the Repayment Agreement, conditioned, inter alia, upon the percentage of annual production of LNG from Pars Field and the sale of the natural gas produced from Pars Field by NIGC to Kalingas;

WHEREAS Repayment of the loan was agreed to be made solely out of the proceeds of the sale of natural gas by NIGC to Kalingas as provided for in Article 6 of the Repayment Agreement; and

WHEREAS NIOC/NIGC in Case No. 311 and in the case before U.S. courts take the position that, because the conditions of the Agreements did not materialize, the loan amount and interest thereon and additional damages are not due and payable and that, in addition, certain amounts are due as damages by ENSERCH to NIGC and other Iranian agencies.

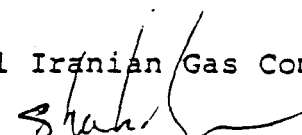
Now therefore, ENSERCH, NIOC and NIGC hereby waive, withdraw and dismiss all of their claims, counterclaims and disputes with respect to the Agreements and other issues in Case No. 311 and the related claim filed before U.S. courts, acknowledging and agreeing that neither they, nor their parents, subsidiaries, affiliates, assignees, agents, transferees and subsidiaries, affiliates, assignees, agents and transferees of their parents, shall, now or in future, bring or cause any person to bring any claim with respect to such claims, counterclaims and disputes in any forum including but not limited to the Iran-U.S. Claims Tribunal, U.S. and Iranian Courts and/or to tribunals and/or forums in any other country.

ENSERCH Service Company of Iran

By 

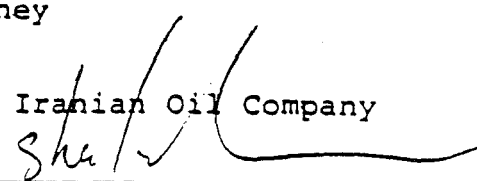
As per attached Power of Attorney

National Iranian Gas Company

By 

As per attached Power of Attorney

National Iranian Oil Company

By 

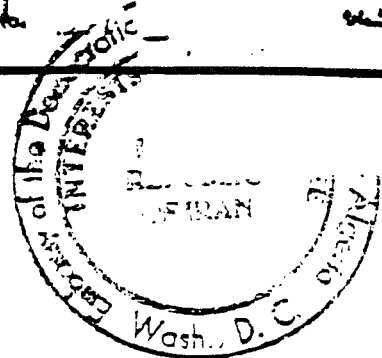
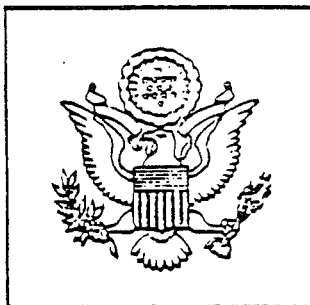
As per attached Power of Attorney

ثبت شد - FILED

Date 4 MAR 1985 تاریخ
۱۳۶۳ / ۱۲ / ۱۳

No. 84/2668-1

United States of America



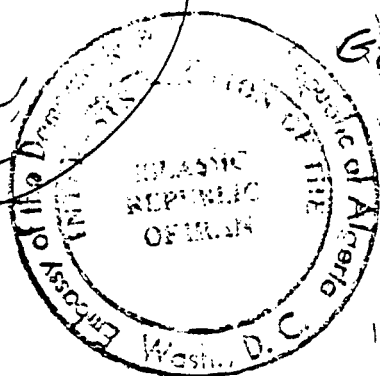
DEPARTMENT OF STATE

all to whom these presents shall come, Greeting:

Certify That the document hereunto annexed is under the Seal of the State of:

Texas

George P. Shultz



را که در (ری) این برگ معادلات (x) مشخص شده بدون توجه به مندرجات آن گواهی میکند مبلغ ۷/۶ سال معادل تبرع الصاق و باطل شد.

۱۳۶۳ / ۱۲ / ۱۳

شماره ۱۲۳

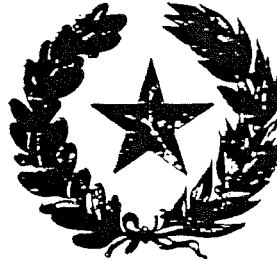
In testimony whereof, I, George P. Shultz,

Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this seventh day of March, 1984.

*FOR THE CONTENTS OF
THE ANNEXED DOCUMENT
THE DEPARTMENT ASSUMES
NO RESPONSIBILITY

George P. Shultz
Secretary of State
By Annie R. Maddux
Authentication Officer, Department of State.

This is not valid if it is removed or altered in any way whatsoever.



8402868

The State of Texas

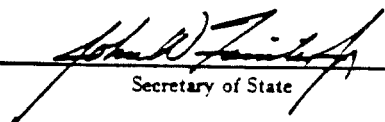
SECRETARY OF STATE

The undersigned, as Secretary of State of the State of Texas, HEREBY CERTIFIES that according to the records of this office, CONNIE G SCHULTE qualified as a Notary Public for the State of Texas on November 10, 1980, for a term ending on November 10, 1984.



IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, this

5th day of March, A. D. 19 84.


Secretary of State

POWER OF ATTORNEY

8402668

ENSERCH Corporation, ENSERCH Service Company of Iran and Cyrus V. Helm acting on behalf of themselves and on behalf of each of the subsidiaries and affiliates named in the Statements of Claims in Case Nos. 446 and 311 in the Iran-U.S. Claims Tribunal hereby appoint:

- (1) Peter D. Trooboff
(Covington & Burling, Washington, D.C.)
- (2) Godert C.W. van der Feltz
(DeBrauw en Helbach, The Hague)
- (3) Hans A. de Savornin Lohman
(DeBrauw en Helbach, The Hague)
- (4) William G. Parkhouse
(Intairdril (U.K.) Ltd.)

Each by himself as its attorney and representative for the purpose of negotiating, concluding and signing a settlement of their claims against the government of the Islamic Republic of Iran, the National Iranian Oil Company, the National Iranian Gas Company and Irano-Intairdril S.S.K. Within this purpose the power of attorney is unlimited in scope. Each of the representatives may do, execute and perform any acts, deeds, agreements and all matter of things whatsoever which in his opinion ought to be done, executed, or performed in order to settle claims of any nature, including claims arising from, or in connection with any assets or property of any of the undersigned and the subsidiaries and affiliates named in the Statements of Claims in Case Nos. 446 and 311. Such authority expressly includes the right to agree that payment on behalf of Cyrus V. Helm, ENSERCH Service Company of Iran and other persons or entities named in the Statements of Claims shall be received by ENSERCH Corporation.

This power of attorney shall remain effective until
revoked in writing by any of the undersigned.

ENSERCH Corporation

By: *M. C. McCaskey* (SEAL)
Title: President

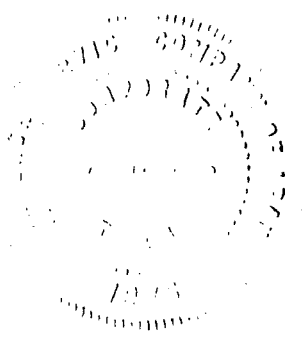
ENSERCH Service Company of Iran

By: *M. C. McCaskey* (SEAL)
Title: Chairman of the Board
of Directors

Cyrus V. Heln

C. V. Heln

Acting on their own behalf and
on behalf of each of the
subsidiaries and affiliates
named in Statements of Claims
for Case Nos. 446 and 311 pending
before the Iran-U.S. Claims
Tribunal, The Hague, Netherlands



UNITED STATES OF AMERICA X
STATE OF TEXAS X
COUNTY OF HARRIS X

KNOW ALL MEN BY THESE PRESENTS:

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared under oath W. C. McCord known to me to be the President of ENSERCH Corporation, a corporation, and acknowledged to me that he signed the foregoing instrument on behalf of said corporation for the purposes therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 2nd day of March, 1984.


Notary Public in and for the
State of Texas

(NOTARY SEAL)

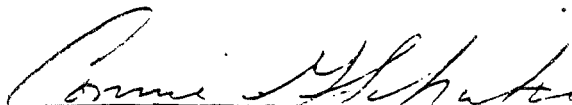
CONNIE G. SCHULTE
Notary Public - State of Texas
My Commission Expires 11/30/84

UNITED STATES OF AMERICA X
STATE OF TEXAS X
COUNTY OF HARRIS X

KNOW ALL MEN BY THESE PRESENTS:

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared under oath W. C. McCord known to me to be the Chairman, Board of Directors of ENSERCH Service Company of Iran, a corporation, and acknowledged to me that he signed the foregoing instrument on behalf of said corporation for the purposes therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 2nd day of March, 1984.


Notary Public in and for the
State of Texas

(NOTARY SEAL)

CONNIE G. SCHULTE
Notary Public - State of Texas
My Commission Expires 11/30/84

UNITED STATES OF AMERICA X
STATE OF TEXAS X
COUNTY OF HARRIS X

KNOW ALL MEN BY THESE PRESENTS:

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared under oath Cyrus V. Helm, known to me to be the person whose name is subscribed above, and acknowledged to me that he signed the foregoing instrument as his own free act and deed for the purposes therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 2nd day of March, 1984.


Notary Public in and for the
State of Texas

(NOTARY SEAL)

CONNIE G. SCHULTE
Notary Public - State of Texas
My Commission Expires 11/10/84