

339-122

E.C.A.-ICC

CLAIMS TRIBUNAL

دیوان داورى دعاوى ایران - ایالات متحدہ

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ORIGINAL DOCUMENTS IN SAFECase No. 339Date of filing: 14 Sep 87**** AWARD**

- Type of Award

On Agreed Terms

- Date of Award

14 Sep 873

pages in English

3

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

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**** DISSENTING OPINION** of _____

- Date

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**** OTHER; Nature of document:** _____

- Date

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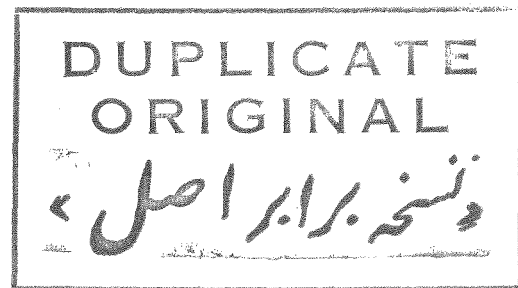
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IRAN UNITED STATES CLAIMS TRIBUNAL	دیوان داوری دعاوی ایران - ایالات متحدہ
FILED - ثبت شد	
Date	14 SEP 1987 تاریخ ۱۳۶۶ / ۶ / ۲۲
No.	339 شماره

CASE NO. 339

CHAMBER TWO

AWARD NO. 317-339-2



TURNER ENTERTAINMENT CO. (formerly
METRO GOLDWYN-MAYER FILM CO.),
Claimant,

and

GOVERNMENT OF THE ISLAMIC REPUBLIC
OF IRAN,
IRANIAN NATIONAL RADIO AND TELEVISION,
NATIONAL IRANIAN TELEVISION,
Respondents.

AWARD ON AGREED TERMS

1. TURNER ENTERTAINMENT CO., (successor by merger to Metro Goldwyn-Mayer Film Company, formerly Filmco Inc.) (hereinafter referred to as "Claimant") on its own behalf and on behalf of its subsidiaries (including but not limited to Metro Goldwyn-Mayer Iran), parent, affiliates, successors, predecessors and distributors (including but not limited to Cinema International Corporation), whether or not named in the Statement of Claim and other documents filed by the Claimant in Case No. 339 and THE ISLAMIC REPUBLIC OF IRAN and the ISLAMIC REPUBLIC OF IRAN BROADCASTING ("IRIB") (hereinafter collectively referred to as "Respondents") have entered into a Settlement Agreement dated 20 May 1987 and filed on 30 July 1987 ("the Settlement Agreement") resolving the matters in dispute between them. Under the terms of the Settlement Agreement, the Claimant and the Respondents have agreed, inter alia, that the Respondents shall pay the Claimant the amount of U.S.\$170,000; that upon the issuance of the Award on Agreed Terms all titles, rights, benefits and interests of the Claimant in the properties claimed in this Case, including such properties that may be in possession of third persons in Iran, shall be deemed quitclaimed and transferred to Iran and that the Claimant and the Respondents shall thereupon release and discharge forever all claims and counterclaims as against one another that were raised or could have been raised in connection with Case No. 339. The Claimant and the Respondents have agreed further that the Claimant shall indemnify Iran, against any claim that may be raised by the Claimant, its parents, subsidiaries and affiliates in connection with and under the same causes of action contained in the Statement of Claim in this Case and covered by the Settlement Agreement.

2. On 30 July 1987 the Parties filed a Joint Request, signed by representatives of the Claimant on the one hand and by the Agent of the Islamic Republic of Iran and the Respondents 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. The Tribunal has satisfied itself that it has jurisdiction in this matter within the terms of the Claims Settlement Declaration.

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

5. 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 settlement of the entire Case. Consequently, the Respondents THE ISLAMIC REPUBLIC OF IRAN and the ISLAMIC REPUBLIC OF IRAN BROADCASTING shall pay the Claimant TURNER ENTERTAINMENT CO. the amount of One Hundred Seventy Thousand United States Dollars (U.S.\$170,000), 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.

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

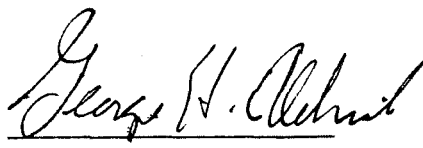
Dated, The Hague

14 September 1987

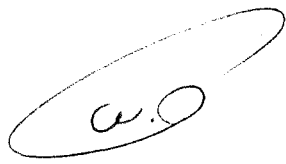


Robert Briner
Chairman

In the name of God,



George H. Aldrich



Hamid Bahrami-Ahmadi

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In the Name of God

Before

Iran-U.S. Claims Tribunal

The Hague

The Netherlands

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه داری و دعاری ایران و ایالات متحده
فایلد - ثبت شد	
Date	30 JUL 1987 ۱۳۶۶ / ۵ / آ
No.	339

Case No. 339, Chamber 2JOINT REQUEST FOR ARBITRAL AWARD ON AGREED TERMS

Pursuant to Article 34 of the Tribunal Rules of Procedures, the Islamic Republic of Iran (Iran), on the one part, and Turner Entertainment Co. (successor by merger to Metro Goldwyn-Mayer Film Co.), a corporation organized and existing under the laws of the State of Georgia, U.S.A., acting for itself and on behalf of its parent companies, affiliates, subsidiaries, predecessors, successors and distributors, whether or not named in Case No. 339, hereinafter called "Claimant", jointly request that the Iran-United States Claims Tribunal (the "Tribunal") issue an Arbitral Award on Agreed Terms that will record and give effect to the Settlement Agreement reached by the Parties in Case No. 339, Chamber 2.

On 20 May 1987, Iran and Claimant entered into Settlement Agreement, a copy of which is attached hereto, providing that Claimant will be paid the amount of one hundred seventy thousand dollars (U.S.\$170,000) (hereinafter the "Settlement Amount") in complete, full and final settlement of all disputes, differences, claims and matters raised by Claimant in the Statement of Claim and the claims made

against the Islamic Republic of Iran Broadcasting ("IRIB") by Claimant.

Claimant has also agreed that all of its titles, rights, benefits and interests in the motion picture film prints and trailers claimed in Case No. 339 be quitclaimed and transferred to Iran.

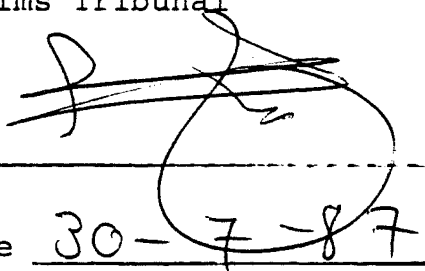
Claimant hereby declares that its claims against IRIB are considered as withdrawn and the Islamic Republic of Iran declares that the counterclaims by IRIB are considered as withdrawn by IRIB, both upon the issuance of the Arbitral Award on Agreed Terms. The undersigned request the Tribunal to record the Settlement Agreement as an Arbitral Award on Agreed Terms, with payment to Turner Entertainment Co. to be made from Security Account and consider and declare as terminated, and withdrawn the Case No. 339.

Respectfully submitted,



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

By

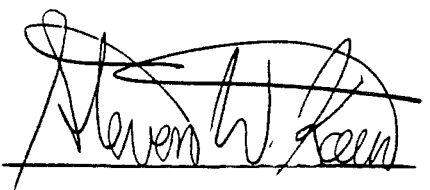


Date

30-7-87

Turner Entertainment Co.
(successor by Merger to
Metro Goldwyn-Mayer Film

By



Date

May 20, 1987

In the Name of God

Iran-U.S. Claims Tribunal

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه داری داری ایران - ایالات متحده
ثبت شد - FILED	
30 JUL 1987 1366 / 07 A	تاریخ
339	شماره

SETTLEMENT AGREEMENT OF CASE NO. 339, CHAMBER 2
(hereinafter "the Case")

This Settlement Agreement made this 20 day of May 1987 by and between the Islamic Republic of Iran (Iran), on the one part and Turner Entertainment Co., (successor by merger to Metro Goldwyn-Mayer Film Company, formerly Filmco Inc.), a company organized and existing under the laws of the State of Georgia, U.S.A., hereinafter called "Claimant" on the other part, which for the purpose of this Settlement Agreement represents itself and its subsidiaries (including but not limited to MGM-Iran, a Delaware Corporation), parent, affiliates, successors, predecessors, and distributors (including but not limited to Cinema International Corporation), whether or not named in the Statement of Claim and other documents filed by Claimant in Case No. 339, Chamber Two.

Whereas, Claimant has raised certain claims as contemplated in the Statement of Claim and other of Claimants' submissions filed with the Iran-U.S. Claims Tribunal (hereinafter "the Tribunal"), under Case No. 339 against Iran and the Islamic Republic of Iran Broadcasting (hereinafter called "IRIB") (referred to in the Statement of Claim as "Iranian National Radio & Television and National Iranian Television"). Iran and IRIB are hereinafter referred to as "Respondents".

Whereas, Respondents in responding to the Statement of Claim, have filed their Statements of Defence and IRIB has filed its Statement of Counterclaim against Claimant in the Case.

Whereas, the Parties (the Parties being defined as Iran, IRIB -so far as the withdrawals are concerned- and Claimant) have agreed to settle all their claims, disputes, and differences outstanding or capable of arising between them and to withdraw the claims and the counterclaims between Claimant and IRIB and/or in general all the claims contained in the Statement of Claim.

Now, therefore, in consideration of and under the conditions set forth herein, the Parties agree as follows:

Article I

The scope and subject matters of this Settlement Agreement are:

- (i) to settle, dismiss and terminate forever and with prejudice all claims, disputes, and differences outstanding or capable of arising between them and to withdraw the Claims and counterclaims between Claimant and IRIB, and/or in general all the claims contained in the Statement of Claim;
- (ii) to vest in Iran unconditionally and irrevocably by means of quitclaiming and without the right to any recourse, and to consider as vested all Claimant's rights, benefits, interest and titles, if any, to all and any properties claimed in the Statement of Claim and subsequent submissions in the Case and to all and any of Claimant's motion picture film prints and

trailers which were kept in Iran at the time of the filing of the Statement of Claim, including those in possession of third persons.

Article II

The Parties agree to submit this Settlement Agreement to the Tribunal on or before 31st July, 1987, together with a joint motion requesting it to record and give effect to the provisions of this Settlement Agreement as an Arbitral Award on Agreed Terms. If this Settlement Agreement is not submitted by such date, then, it shall automatically become null and void, and the Parties, without prejudicing their respective rights will be placed in the same position as they were prior to the date of this Settlement Agreement.

Article III

In full, complete and final settlement of all disputes, differences and claims arising out of the rights, interests, relationships, and occurrences related to and subject matters of this Settlement Agreement as specified in Article I above, and in consideration of the covenants, promises, transfers, waivers, withdrawals, and other agreements contained herein, the sum of one hundred seventy thousand dollars (U.S.\$170,000) (hereinafter the "Settlement Amount") shall be paid to Claimant out of the Security Account established pursuant to Para 7 of the Declaration of the Government of the Democratic and Popular Republic of Algeria dated January 19, 1981.

Article IV

- (i) Upon the issuance of the Award on Agreed Terms, Claimant shall cause without delay and with prejudice, all proceedings against Iran, Iranian companies, entities,

organizations, instrumentalities, institutions and divisions, including Respondents, and/or against any and all Iranian natural persons and legal entities, named in the Case in all courts, fora or any authorities 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 fora, authorities, or administrative bodies, whatsoever, including but not limited to any courts in the United States of America or the Islamic Republic of Iran in connection with disputes, differences, claims and matters which are the subject matter of this Settlement Agreement as specified in Article I above.

- (ii) upon the issuance of the Award on Agreed Terms, Iran shall cause without delay and with prejudice, all proceedings against Claimant, its predecessors, parents, subsidiaries and affiliates, in all courts, fora or any authorities 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 fora, authorities, or administrative bodies, whatsoever, including but not limited to any courts in the United States of America or the Islamic Republic of Iran in connection with disputes, differences, claims and matters which are the subject matter of this Settlement Agreement as specified in Article I above.

Article V

Claimant and IRIB hereby mutually declare that upon the issuance of the Award on Agreed Terms by the Tribunal, the claims raised by Claimant against IRIB, and the Counter-claims for Claimant's tax liabilities in Iran raised by IRIB

against Claimant shall be considered as withdrawn, and Claimant and IRIB shall cause without delay and with prejudice, all proceedings against IRIB and Claimant, their predecessors, parents, subsidiaries and affiliates, respectively by each other against each other, in all courts, fora or any authorities 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 fora, authorities or administrative bodies, whatsoever, including but not limited to any courts in the United States of America or the Islamic Republic of Iran in connection with disputes, differences, claims and matters which are the subject matter of this Settlement Agreement as specified in Article I above. Further, upon the issuance of the Award on Agreed Terms, the liability for payment or otherwise satisfaction of any taxes, if any, arising out of Claimant's and its predecessors, parents, subsidiaries and affiliates relative past dealings with IRIB shall be transferred to IRIB. The liability of Claimant for other taxes, if any, which might have been incurred as a result of Claimant's other activities in Iran shall remain with Claimant.

Article VI

In consideration of the mutual covenant, promises, transfers, waivers and other agreements contained herein, upon the issuance of the Award on Agreed Terms by the Tribunal, Claimant shall release and forever discharge Iran, Iranian companies, entities, organizations, instrumentalities, institutions and divisions including Respondents and/or any and all Iranian natural persons and legal entities named in the Case and Respondents shall release and forever discharge Claimant, its predecessors, parent, subsidiaries and affiliates from any of their respective claims, rights, interests and obligations, past, present or future which

have been raised or may in future arise in connection with disputes, differences, claims and matters related to and that were the subject matter of the Case and/or this Settlement Agreement as specified in Article I above.

Article VII

Upon the issuance of the Award on Agreed Terms all titles, rights, benefits and interests of Claimant in the properties claimed in the Case, including such properties that may be in possession of third persons in Iran, shall be deemed quitclaimed and transferred, unconditionally, irrevocably, by means of quitclaiming and without the right to any recourse, to Iran.

Article VIII

Claimant shall indemnify and hold harmless Iran against any claim which Claimant, its parents, subsidiaries and affiliates have raised or may raise against Iran in connection with and under the same causes of action contained in the Statement of Claim.

Article IX

Upon the issuance of the Award on Agreed Terms, the Parties 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 before the Iran-U.S. Claims Tribunal, United States courts or elsewhere with respect of matters involved in the Statement of Claim, the Counter-claim and/or matters which are the subject matters of this Settlement Agreement as specified in Article I above.

Article X

Upon the issuance of the Award on Agreed Terms, the obligations, declarations, releases, waivers, withdrawals, dismissals, transfers of rights, interests, benefits and titles in properties contained and referred to in this Settlement Agreement shall become self-executing. After the issuance of the Award on Agreed Terms by the Tribunal no further documents need to be executed in implementing the provisions of this Agreement.

Article XI

This Settlement Agreement is for the sole purpose of settling the disputes, differences and claims as specified in Article I above, at issue in Case No. 339. Nothing in this Settlement Agreement shall be relied upon or construed as relevant to or to affect in any way any argument the Parties their agencies, instrumentalities, entities, and/or Respondents have raised, or may raise, concerning the jurisdiction or the merits of this case or other cases whether before the Tribunal or any other fora.

Article XII

The Parties acknowledge that this Settlement Agreement shall be approved and ratified by Iranian authorities. Should for any reasons whatsoever they choose not to confirm this Settlement Agreement, then it shall become null and void, and in that event no party to this Settlement Agreement may rely upon, cite or publish its terms or any statements made in the course of settlement discussions.

Article XIII

For the purpose of construction and interpretation of the Settlement Agreement the entire agreement shall be read and

construed as a whole without giving any specific effect to any article separately.

Article XIV

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

Article XV

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

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

By

Date

30-7-87

The Islamic Republic of Iran
for Broadcasting

By

Date

July 29, 1987

Turner Entertainment Co.
(successor by merger to
Metro-Goldwyn-Mayer Film
Co.)

By

Date

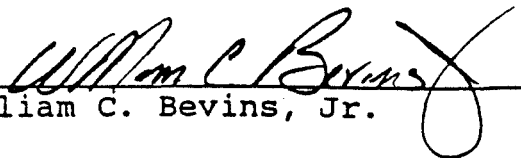
May 20, 1987

UNANIMOUS CONSENT IN WRITING BY THE
BOARD OF DIRECTORS OF TURNER ENTERTAINMENT CO.

The undersigned, being the sole member of the Board of Directors of Turner Entertainment Co., a Georgia corporation (the "Corporation"), by written consent pursuant to Official Code of Ga. Ann. § 14-2-149, does hereby take the following action and adopt the following resolution:

RESOLVED, that Steven W. Korn, the Vice President and Secretary of the Corporation, be hereby authorized and empowered by the Corporation to execute on behalf of the Corporation the Settlement Agreement of Case No. 339, Chamber 2, in the Iran - U.S. Claims Tribunal, entered into by and between the Corporation and the Islamic Republic of Iran, as well as any and all other documents of any kind or nature whatsoever, including, without limitation, the Joint Request for Arbitral Award on Agreed Terms, that may be necessary for execution on behalf of the Corporation in connection therewith, and to take such other steps as may be required to effect the implementation thereof.

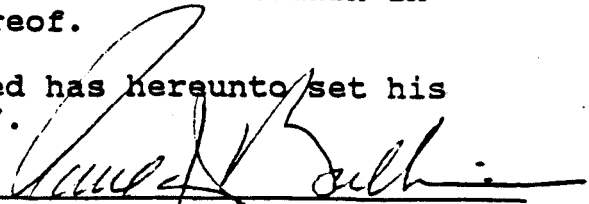
IN WITNESS WHEREOF, the undersigned has hereunto set his hand as of the 20th day of May, 1987.


William C. Bevens, Jr.

CERTIFICATE OF ASSISTANT SECRETARY

The undersigned, Assistant Secretary of Turner Entertainment Co., a Georgia corporation (the "Corporation"), hereby certifies that the copy of the resolutions adopted by the sole Director of the Corporation on August 5, 1986, as set forth in the written consent attached hereto, is complete, true and correct and that the resolutions as set forth therein were duly adopted by the sole director of the Corporation and remain in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and seal this 20th day of May, 1987.


Paul D. Beckham,
Assistant Secretary

[Corporate Seal]

CONSENT OF THE SOLE DIRECTOR OF
TURNER ENTERTAINMENT CO.
TO ADOPTION OF
CERTAIN ACTIONS AND RESOLUTIONS
IN LIEU OF MEETING

The undersigned, being the sole member of the Board of Directors of Turner Entertainment Co., a Georgia corporation (the "Corporation"), by written consent pursuant to Official Code of Ga. Ann. § 14-2-149, does hereby adopt to be effective as of August 5, 1986, the following actions and resolutions:

Election of Officers. The following resolution electing the following persons as the sole officers of this Corporation is hereby adopted:

RESOLVED, that the following persons be and they hereby are elected to the offices set opposite their names to hold such offices until the next Annual Meeting of Directors and until their successors have been elected and qualified:

R. E. Turner	Chief Executive Officer
Roger L. Mayer	President and Chief Operating and Administrative Officer
Jay M. Behling	Senior Vice President - Finance and Treasurer
William C. Bevins, Jr.	Vice President
Jack Petrick	Vice President
Randolph A. Booth	Vice President
Henry Gillespie	Vice President
Steven W. Korn	Vice President and Secretary
Paul D. Beckham	Vice President and Assistant Secretary

Establishment of Bank Account. The following resolutions authorizing this Corporation to open an account or accounts with Bank of America or such other bank as is approved by the appropriate officers of this Corporation and authorizing certain persons to execute checks for and on behalf of this Corporation are hereby adopted:

RESOLVED, that the resolutions on the bank signature cards attached to these minutes are hereby adopted and incorporated herein by reference as if fully set forth herein; and

FURTHER RESOLVED, that William C. Bevins, Jr., Paul D. Beckham and any other persons appointed by them are hereby authorized to execute checks for or on behalf of this Corporation.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 15 day of August, 1986.


William C. Bevins, Jr.