

ORIGINAL DOCUMENTS IN SAFECase No. 353Date of filing: 29.4.86

** AWARD - Type of Award Partial award on Agreed Terms
- Date of Award 29.4.86
3 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 _____ 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	دادگاه دآوری دعاوی ایران - ایالات متحدہ
ثبت شد - FILED	
Date 29 APR 1986	تاریخ
۱۳۶۵ / ۲ / ۹	
No. 353	شماره

CASE NO. 353

CHAMBER TWO

AWARD NO. 226 -353-2



FMC CORPORATION,

Claimant,

and

THE ISLAMIC REPUBLIC OF IRAN,

MINISTRY OF NATIONAL DEFENCE,

S.S. DASHTE MORGHAB,

ZIARAN MEAT PRODUCING AND PACKAGING

PRODUCT CO. LTD,

BANK MELLI IRAN,

CENTRAL BANK OF IRAN,

SAZEMANE SHAHANSHAHI,

POLYACRYL IRAN CORPORATION,

SET CONSTRUCTION COMPANY,

THE AIRLINE OF THE ISLAMIC REPUBLIC OF IRAN,

GARMSEER COMPANY,

PARDIS POULTRY PROCESSING AND MARKETING COMPANY,

Respondents.

PARTIAL AWARD ON AGREED TERMS

1. FMC CORPORATION (hereinafter referred to as "Claimant") and DASHTE MORGHAB COMPANY, PARDIS POULTRY PROCESSING AND MARKETING COMPANY, GARMSEER COMPANY, POLYACRYL IRAN CORPORATION, and THE AIRLINE OF THE ISLAMIC REPUBLIC OF IRAN, (hereinafter collectively referred to as "Respondents") have entered into a Settlement Agreement dated 21 February 1986 and filed on 14 April 1986 ("the Settlement Agreement") resolving the matters in dispute between them. Under the terms of the Settlement Agreement, Claimant and Respondents have agreed, inter alia, that the Respondents shall pay the Claimant the amount of U.S.\$ 250,000 and that the Claimant and the Respondents shall thereupon consider all claims and counterclaims in connection with that portion of Case No. 353 in which these Parties are involved as terminated.

2. On 14 April 1986 the Parties filed a Joint Request signed by representatives of the Claimant on the one hand and of the Respondents and the Agent of the Islamic Republic of Iran on the other, for a Partial 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.

For the foregoing reasons,

THE TRIBUNAL AWARDS AS FOLLOWS:

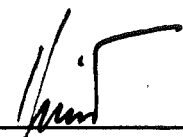
a) The Settlement Agreement filed with the Joint Request is hereby recorded as a Partial Award on Agreed Terms,

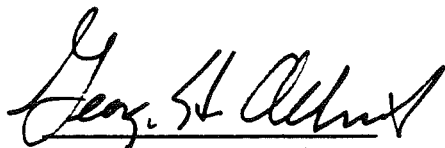
binding on all the Parties to the Settlement Agreement. Consequently, the Respondents DASHTE MORGHAB COMPANY, PARDIS POULTRY PROCESSING AND MARKETING COMPANY, GARMSEER COMPANY, POLYACRYL IRAN CORPORATION and THE AIRLINE OF THE ISLAMIC REPUBLIC OF IRAN shall jointly pay the Claimant FMC CORPORATION the amount of Two Hundred and Fifty Thousand United States Dollars and no Cents (U.S.\$ 250,000.00), 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.

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

Dated, The Hague

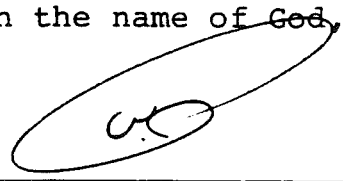
29 April 1986



Robert Briner
Chairman

George H. Aldrich

In the name of God,



Hamid Bahrami-Ahmadi

IN THE NAME OF GOD

Before
Iran-U.S. Claims Tribunal
The Hague
The Netherlands

IRAN UNITED STATES CLAIMS TRIBUNAL	دائرة دادرى دعاوى ایران - ایالات متحده
ثبت شد - FILED	
Date	14 APR 1986
	۱۳۶۵ / ۱ / ۲۵
No.	353

FMC Corporation,

Claimant,

- and -

- The State of Iran,
- Dashte Morghab Company,
- Garmseer Company,
- Polyacryl Iran Corporation, &
- The Airline of Islamic Republic
of Iran,
- Pardis Poultry Processing and
Marketing Company

Respondents.

Case No. 353
Chamber 2

JOINT REQUEST FOR ARBITRAL
AWARD ON AGREED TERMS

Pursuant to Article 34 of the Tribunal's Rules of Procedure, FMC Corporation ("FMC") and Dashte Morghab Company ("DMC"), Garmseer Company ("Garmseer"), Polyacryl Iran Corporation ("Polyacryl"), the Airline of Islamic Republic of Iran ("Iran Air"), and Pardis Poultry Processing and Marketing Company ("Pardis") jointly request that the Tribunal issue a partial arbitral Award on Agreed Terms.

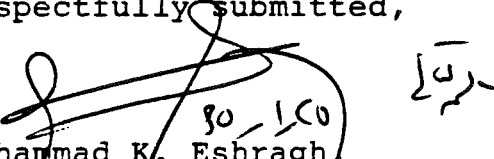
The Parties have entered into a Settlement Agreement, a copy of which is attached hereto, providing that FMC shall be paid the amount of two hundred and fifty thousand U.S.

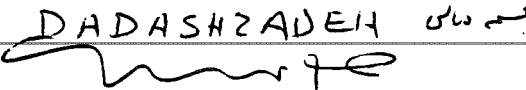
dollars and no cents (US\$250,000.00) to be paid out of the Security Account in complete and final settlement of all claims and counterclaims and obligations now existing or capable of arising between FMC, on the first part, and DMC, Garmseer, Polyacryl, Iran Air, and Pardis on the other part, in connection with Case No. 353, and containing other covenants and agreements.

The undersigned further request the Tribunal to record the Settlement Agreement and the partial arbitral Award on Agreed Terms with full payment to FMC to be made out of the Security Account as provided in the Settlement Agreement.

The Parties respectfully request that the Settlement be kept confidential until the obligations of the Settlement Agreement have been completed.

Respectfully submitted,

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

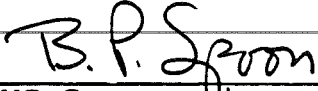

DADASHZADEH
Dashte Morghab Company


Garmseer Company


Polyacryl Iran Corporation


The Airline of Islamic Republic
of Iran


Pardis Poultry Processing and
Marketing Company


B.P. Spoon
FMC Corporation

IN THE NAME OF GOD

SETTLEMENT AGREEMENT

This Settlement Agreement is made this 21ST day of FEBRUARY, 1986, by and among FMC Corporation and affiliates, its parents, subsidiaries, (collectively FMC) on the first part and Dashte Morghab Company ("DMC") Pardis Poultry Processing and Marketing Company (Pardis), Garmseer Company ("Garmseer"), Polyacryl Iran Corporation ("Polyacryl"), The Airline of Islamic Republic of Iran ("Iran Air") on the second part (collectively, the "Respondents").

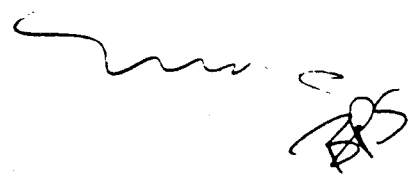
WHEREAS, there is presently pending in the Iran-United States Claims Tribunal (the "Tribunal") an arbitration proceeding brought by FMC as Claimant, in which FMC asserts certain claims against the Respondents (the "Claims") as part of Case No. 353, Chamber Two (the "Arbitration"); and

WHEREAS, Respondents have filed certain defenses and counterclaims pertaining to the said case arising out of or in relation to the Claims; and

WHEREAS, FMC and Respondents (the "Parties") desire to settle the litigation and all claims and counterclaims asserted or unasserted, outstanding or capable of arising, in connection with the "Claims" between and among them:

NOW THEREFORE, in consideration of the mutual promises and agreements herein set forth, the Parties agree as follows:

1. The rights and obligations accepted by the Parties in this Settlement Agreement are only valid to FMC and the Respondents as they relate to that portion of Case No. 353 in which the Respondents are involved, and will

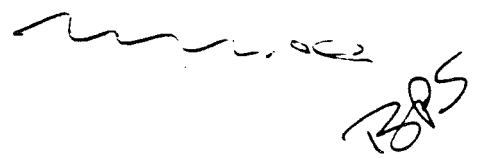
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have no other force and effect for FMC and other respondents in Case No. 353 with respect to other portions of Case No. 353.

2. In full and final settlement of all claims, counter-claims and disputes between and among the Parties outstanding, relating to or capable of arising in connection with the Claims,

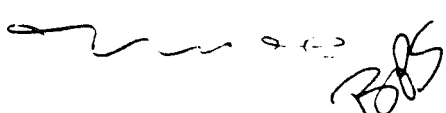
- (a) FMC shall be paid the total sum of Two Hundred Fifty Thousand United States dollars and no Cents (US\$250,000.00) ("Agreed Sum") from the Security Account established by paragraph 7 of the Declaration of the Government of the Democratic and Popular Republic of Algeria of January 19, 1981.
 - (b) Upon the issuance of the Award on Agreed Terms and payment of the Agreed Sum, FMC's Claims against Respondents, and Respondents' counterclaims against FMC in Case No.353 shall be considered terminated.
 - (c) The Respondents shall pay to Bank Markazi Iran the rial equivalent of the Settlement Amount and will obtain Bank Markazi's approval for the payment thereof to be made to FMC out of the Security Account. Submission of this Settlement Agreement by the Agent of the Islamic Republic of Iran to the Tribunal means that such approval has been obtained.
 - (d) The parties confirm that all applicable Iranian taxes related to the subject matter of this portion of Case No.353 have been reduced from the Settlement Amount. The taxes imposed by the Government of Iran shall be paid to the Iranian tax authorities by the Respondents.
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3. The Parties agree that this Agreement shall be approved and ratified by the Government of the Islamic Republic of Iran and filed with the tribunal on or before April 15, 1986. Should Iran not confirm and file this Agreement on or before said date, then this Agreement shall become null and void and the Parties, without prejudicing their respective rights, shall be placed in the same position as they were before the date of this Agreement.
4. If the Tribunal has not issued an Award on Agreed Terms in accordance with this Settlement Agreement by June 15, 1986, any party may revoke and terminate the Settlement Agreement upon written notice to the others, copy to the Tribunal; and upon the giving of such notice, this Settlement Agreement shall automatically and immediately be deemed null and void.
5. In the event that this Settlement Agreement becomes null and void as provided in Articles 3 or 4, above, it shall be of no force and effect with respect to the Claims and counterclaims between the Parties, and the Tribunal shall proceed to determine such Claims and counterclaims as if this Settlement Agreement had never existed.
6. The Parties on their own behalf and on behalf of all their agencies, instrumentalities, entities, officials and subsidiary companies agree that, upon the issuance of the Award on Agreed Terms by the tribunal and payment of the Agreed Sum, each shall be released and forever discharged from all matter and kind of obligations, liabilities, controversies, claims and demands of whatever nature, whether known, or unknown, now pending or capable of arising in the Tribunal or elsewhere from, based upon or in relation to the subject matter of the Claims and Respondents'

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counterclaims pending or capable of arising before any court, judicial authorities, arbitration or forum between FMC and Respondents in relation to this portion of Case No.353 (the Claims) or transactions which are the subject of such Claims and counterclaims.

In addition, the Parties shall each bear their own costs and expenses in connection with the prosecution or defense of this portion of Case No. 353, and each Party shall be released from any claims by the other Parties for such costs and expenses. The releases in this paragraph will be self-executing in accordance with their terms and no further document needs to be executed in implementing such releases.

7. Except as to bills of exchange or promissory notes issued by Dashte Morghab in connection with the Claims hereunder which are now held by Continental Bank and/or Bank Melli, which are described in Section 24 of FMC's Statement of Claim in Case Number 353, or their successors or assigns, as to any past dealings between FMC, any of its divisions, subsidiaries, or affiliates on the one hand and any of the Respondents on the other, should any claim be pending or filed by a third party in any court or forum against any of the Parties hereto based on any assignment or transfer of rights of any kind from one of the Parties hereto or any of their subsidiaries or affiliates, the Party who or whose subsidiary or affiliate has caused or effected such assignment or transfer of rights upon notice from the other Party shall assume the defense of such Claim and shall be exclusively liable to such third party. Subject to the same exception, upon the full and final payment of the "Agreed Sum" out of the Security Account to FMC, all bills of exchange or promissory notes issued by the Respondents or any of them in favor of FMC or any of its divisions, subsidiaries or affiliates as the case may be, shall be cancelled, null and void.
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8. FMC and the Government of the Islamic Republic of Iran, including its agencies and instrumentalities, release and forever discharge with prejudice each other from any and all claims they have raised or may raise related to or in connection with the Claims that are the subject matters of this Settlement Agreement, and are barred from instituting any claim before any courts and/or forums and/or any administrative bodies and/or authorities or continuing with the case before the Tribunal insofar as the case pertains to the claims that are the subject of this Settlement Agreement.
9. It is understood that this Settlement Agreement is made in a spirit of private settlement of dispute and that it shall not affect any position of FMC or Respondents in any matter other than this portion of Case No. 353. FMC and Respondents further agree that they shall not use or cause any third party to use this Settlement Agreement, any discussions in the course of settlement negotiations, or any documents generated for the purpose of such discussions in the prosecution or defense of this or any other case before the Iran-United States Claims Tribunal, any court or elsewhere.
10. This Settlement Agreement has been prepared and executed in four (4) copies of which two each copies are in Farsi and English and each of the said four copies shall be considered as an original copy and shall have same and equal validity.
11. This Settlement Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and shall supersede all previous communications, representations or agreements, either oral or written, among the Parties hereto, and may be amended only in a written document duly and jointly executed by the Parties.

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IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be executed by their duly authorized representative this 21st day of FEBRUARY, 1986.

FMC Corporation

By B. P. Spoon
B. P. SPOON

Pardis Poultry Processing and Marketing Company
Dashte Morghab Company,
Garmseer Company,
Polyacryl Iran Corporation, &
The Airline of Islamic Republic of Iran

By DADASHZADEH

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that FMC Corporation, a corporation organized and existing under the laws of the State of Delaware, United States of America, and having a principal office at 200 East Randolph Drive, Chicago, Illinois, U.S.A. does hereby grant, constitute and appoint Mr. Bruce P. Spoon as its agent and attorney to have full power and authority to negotiate and conclude for and on behalf of FMC Corporation a settlement of all claims and counterclaims asserted in Case No. 353 now pending in the Iran-United States Claims Tribunal, and any other claims, whether or not heretofore asserted, that may exist between FMC Corporation and the Respondents in Case No. 353; and to that end to execute for and on behalf of FMC Corporation a Settlement Agreement between FMC Corporation and any and all of the said Respondents, and to execute any and all other documents relating thereto, including, without limitation, a Joint Request for Arbitral Award on Agreed Terms; and the execution thereof shall constitute the lawful and binding act of this Corporation. The power and authority granted hereby are granted retroactively, and are effective as of February 20, 1986, and shall remain in effect until expressly revoked.

IN WITNESS WHEREOF, the said FMC Corporation has hereunto caused its corporate name to be signed by its duly authorized Vice President and its corporate seal to be affixed and attested by its duly authorized Assistant Secretary, all being done in the City of Chicago, State of Illinois, U.S.A. on this 17th day of March, 1986.

Attest:

Robert L. Day
Robert L. Day
Assistant Secretary

FMC CORPORATION

By Bart R. van Eck
Bart R. van Eck
Vice President

STATE OF ILLINOIS

COUNTY OF COOK

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) SS
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On this 17th day of March, 1986, before me, a Notary Public in and for said State and County, personally appeared Bart R. van Eck, who being by me duly sworn, did depose and say that he is the Vice President of FMC Corporation, the corporation described in, and which executed, the above instruments; that the seal affixed to the above instrument is the corporate seal of FMC Corporation; and that the above instrument was signed by him on behalf of FMC Corporation as Vice President thereof and its seal affixed thereto by authority of its By-Laws and its Board of Directors.

Patricia B. Huran
My Commission Expires 11/3/92
Notary Public