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ORIGINAL DOCUMENTS IN SAFE

354

Case No. 76Date of filing: 25 Jan 89** AWARD- Type of Award on Agreed terms- Date of Award 25 Jan 894 pages in English4 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: _____

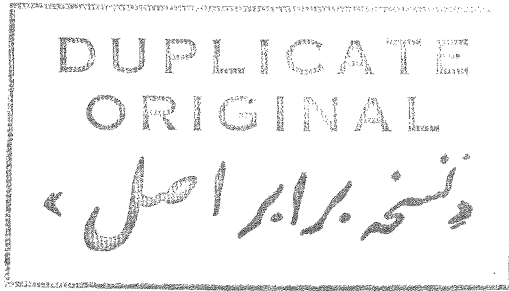
- Date _____

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IRAN-UNITED STATES CLAIMS TRIBUNAL

دیوان دآوری دعاوی ایران - ایالات متحدہ



CASE NO. 76

CHAMBER THREE

AWARD NO. 407-76-3

SAN JACINTO EASTERN CORPORATION and
SAN JACINTO SERVICE COMPANY,

Claimants,

and

THE GOVERNMENT OF THE ISLAMIC
REPUBLIC OF IRAN and NATIONAL
IRANIAN OIL COMPANY,

Respondents.

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه دآوری دعاوی ایران - ایالات متحدہ
ثبت شد - FILED	
Date	25 JAN 1989
تاریخ ۱۳۶۷ / ۱۱ / ۵	

AWARD ON AGREED TERMS

1. SAN JACINTO EASTERN CORPORATION and SAN JACINTO SERVICE COMPANY (the "Claimants") submitted their Statement of Claim on 17 November 1981 against THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN ("Iran") and THE NATIONAL IRANIAN OIL COMPANY ("NIOC") (the "Respondents"). On 24 May 1982, 4 April 1984 and 30 August 1984, the Respondents submitted their Statements of Defense and Counterclaim.

2. On 30 November 1988 the Claimants and the Respondents (the "Parties") submitted a Joint Request for an Arbitral Award on Agreed Terms (the "Joint Request"). Attached thereto was a Settlement Agreement signed by the Parties. In the Joint Request the Tribunal was requested to record the Settlement Agreement as an Award on Agreed Terms. Copies of the Joint Request and Settlement Agreement are attached hereto and incorporated by reference.

3. The Settlement Agreement provides, inter alia, that the sum of two million six hundred thousand United States Dollars (U.S.\$2,600,000) (the "Settlement Amount") shall be paid to the Claimants "in full, complete and final settlement of all claims and disputes existing or capable of arising between the Parties hereto in connection with Claim No. 76 in the 1973 Sale and Purchase Agreement and the 1954 Agreement or any agreement related thereto."

4. The Settlement Agreement further provides that upon fulfillment of its terms and conditions, the Claimants shall, among other obligations, "release, quit claim and forever discharge NIOC and Iran, their subsidiaries, affiliates, instrumentalities, successors and/or assigns of, from and against any and all claims, demands, losses, damages, suits, actions and causes of action, of any nature whether in rem or in personam or otherwise which they or any third persons have ever had, now have or may have in future arising out of, or in connection with the Claim No. 76, the 1973 Sale and Purchase Agreement and the 1954 Agreement or any agreement related thereto."

5. The Settlement Agreement also provides that upon fulfillment of its terms and conditions, the Respondents shall, among other obligations, "release, quit claim and forever discharge [the Claimants], their parents, subsidiaries, affiliates, successors, and/or assigns of, from and against any and all claims, demands, losses, damages, suits, actions and causes of action of any nature whether in rem or in personam or otherwise which NIOC and Iran have ever had, now have or may have in future against [the Claimants] arising out of, or in connection with the Claim No. 76, the 1973 Sale and Purchase Agreement and the 1954 Agreement or any agreement related thereto."

6. Finding the provisions of the Settlement Agreement and the Joint Request in compliance with the conditions for the issuance of an Award on Agreed Terms, the Tribunal accepts the Settlement Agreement in accordance with Article 34 of the Tribunal Rules.

7. Based on the foregoing,

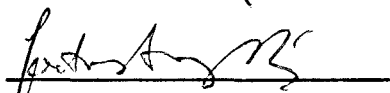
THE TRIBUNAL AWARDS AS FOLLOWS:

- a) The Settlement Agreement is hereby recorded as an Award on Agreed Terms binding SAN JACINTO EASTERN CORPORATION, SAN JACINTO SERVICE COMPANY, THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN and THE NATIONAL IRANIAN OIL COMPANY each of which is bound to fulfill the conditions set forth in the Settlement Agreement.
- b) The payment obligation specified in the Settlement Agreement in the amount of Two Million Six Hundred Thousand United States Dollars (U.S.\$2,600,000) shall be satisfied by payment to SAN JACINTO EASTERN CORPORATION and SAN JACINTO SERVICE COMPANY out of the Security Account established pursuant to paragraph 7 of

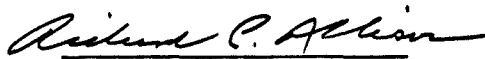
the Declaration of the Government of the Democratic and Popular Republic of Algeria dated 19 January 1981.

- c) This Award is hereby submitted to the President for notification to the Escrow Agent.

Dated, The Hague,
25 January 1989


Gaetano Arangio-Ruiz
Chairman
Chamber Three

In the name of God


Richard C. Allison


Parviz Ansari Moin

IN THE NAME OF GOD

Before

Iran-U.S. Claims Tribunal

-San Jacinto Eastern
Corporation, &

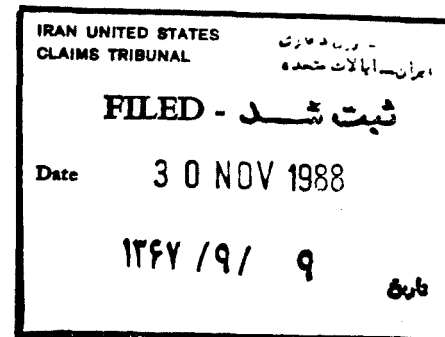
-San Jacinto Service Company,

Claimants,

- and -

-The National Iranian Oil Company &

-The Government of the Islamic Re-
public of Iran,

Respondents.

Claim No. 76

Chamber 3

JOINT REQUEST FOR
AN ARBITRAL AWARD ON AGREED TERMS

1. By the Statement of Claim No. 76 filed in this Case on November 17, 1981, Claimants, San Jacinto Eastern Corporation and San Jacinto Service Company (collectively hereinafter called in this Request "San Jacinto") raised certain claims against Respondents, National Iranian Oil Company ("NIOC") and the Islamic Republic of Iran ("Iran"), arising out of

the 1973 Purchase Agreement among NIOC and the Government of Iran as First Parties and San Jacinto Eastern Corporation and San Jacinto Service Company (collectively called "San Jacinto"), together with several other companies, as Second Parties.

2. NIOC and Iran have filed and asserted defenses and counterclaims in Claim No. 76 and claims related to the 1973 Purchase Agreement and an agreement dated October 29, 1954.

3. As a result of negotiations, San Jacinto, on the one part, and NIOC and Iran, on the other part, have entered into a Settlement Agreement dated October 4, 1988, which is being filed herewith.

4. Pursuant to the terms of Art. 34 (1) of the Tribunal's Rules of Procedure, San Jacinto, NIOC and Iran hereby jointly submit the Settlement Agreement and request the Tribunal to issue an Award on Agreed Terms to record and give effect to the Settlement Agreement.

5. San Jacinto, NIOC and Iran represent and warrant that the individuals signing these documents are duly and fully authorized to execute this Joint Request for Arbitral Award on Agreed Terms.

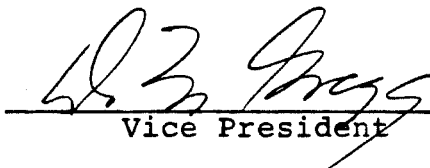
Dated this 4 day of oct., 1988.

Respectfully submitted,

San Jacinto Eastern Corporation

Agent of the Government of
Islamic Republic of Iran to
the Iran-United States Claims
Tribunal

By


Vice President

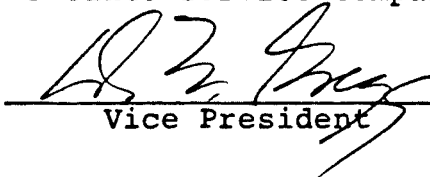
By

Authorized Representative

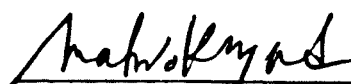
San Jacinto Service Company

National Iranian Oil Company

By


Vice President

By


Authorized Representative

IN THE NAME OF GOD

SETTLEMENT AGREEMENT

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه داری و معاری ایران - ایالات متحده
ثبت شد - FILED	
Date	30 NOV 1988
	۱۳۶۷/۹/ ۹
	تاریخ

This Settlement Agreement is made and entered into this 4th day of October, 1988, among San Jacinto Eastern Corporation and San Jacinto Service Company (collectively called "San Jacinto"), on one part, and National Iranian Oil Company ("NIOC") and the Government of the Islamic Republic of Iran ("Iran"), on the other part.

WHEREAS, San Jacinto filed a Statement of Claim with the Iran-U.S. Claims Tribunal ("the Tribunal") raising certain claims against NIOC and Iran ("Claim No. 76");

WHEREAS, the claims of San Jacinto arise out of a 1973 Sale and Purchase Agreement among NIOC and Iran as First Parties and San Jacinto Eastern Corporation and San Jacinto Service Company (collectively called "San Jacinto"), together with several other oil companies, as Second Parties;

WHEREAS, NIOC and Iran have filed and asserted defenses and counterclaims to Claim No. 76 and claims related to the 1973 Sale and Purchase Agreement and an agreement dated October 29, 1954;

WHEREAS, NIOC, Iran and San Jacinto all desire to resolve and to make full, complete and final settlement of

all claims and disputes between them existing or capable of arising out of Claim No. 76, the 1973 Sale and Purchase Agreement and the 1954 Agreement or any agreement related thereto.

Now, therefore, know all men by these presents, that:

1) The sum of two million six hundred thousand United States Dollars (US \$2,600,000) (the "Settlement Amount") shall be paid to San Jacinto in full, complete and final settlement of all claims and disputes existing or capable of arising between the Parties hereto in connection with Claim No. 76 in the 1973 Sale and Purchase Agreement and the 1954 Agreement or any agreement related thereto.

2) San Jacinto, NIOC and Iran agree that it is intended that the Settlement Amount 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.

3) San Jacinto, its parents, subsidiaries, affiliates, successors and assigns in consideration of the payment by or on behalf of NIOC and Iran to San Jacinto of the Settlement Amount hereby release, quit claim and forever discharge NIOC and Iran, their subsidiaries, affiliates, instrumentalities, successors and/or assigns of, from and against any and all claims, demands, losses, damages, suits,

actions and causes of action, of any nature whether in rem or in personam or otherwise which they or any third persons have ever had, now have or may have in future arising out of, or in connection with the Claim No. 76, the 1973 Sale and Purchase Agreement and the 1954 Agreement or any agreement related thereto.

4) NIOC and Iran, their subsidiaries, affiliates, successors and assigns in consideration for the promises and obligations by San Jacinto contained in this Agreement do hereby release, quit claim and forever discharge San Jacinto, their parents, subsidiaries, affiliates, successors, and/or assigns of, from and against any and all claims, demands, losses, damages, suits, actions and causes of action of any nature whether in rem or in personam or otherwise which NIOC and Iran have ever had, now have or may have in future against San Jacinto arising out of, or in connection with the Claim No. 76, the 1973 Sale and Purchase Agreement and the 1954 Agreement or any agreement related thereto.

5) Upon San Jacinto's receipt of the Settlement Amount, the Parties hereto shall not directly or indirectly, individually or in conjunction with others at any time thereafter take or pursue any legal action or initiate or pursue arbitral or court proceedings or otherwise make any claim whatsoever against each other with respect to Claim No. 76,

the 1973 Sale and Purchase Agreement or the 1954 Agreement or any agreement related thereto.

6) The releases and agreements contained herein are self-executing upon San Jacinto's receipt of the Settlement Amount and need not be signified by any additional document, agreement, or writing.

7) Upon San Jacinto's receipt of the Settlement Amount, the Parties hereto shall waive any and all claims for costs, including attorney's fees, arising out of or related in any way to the arbitration, prosecution, or defense of any claim before any forum including the Iran-U.S. Claims Tribunal with respect to Claim No. 76, and 1973 Sale and Purchase Agreement or the 1954 Agreement or any agreement related thereto.

8) This Settlement Agreement shall not constitute a legal precedent for any person, and shall not be used except for the sole purpose of giving effect to its terms, and shall not prejudice or affect the other rights of the Parties hereto or of any other person in other cases before the Tribunal or elsewhere.

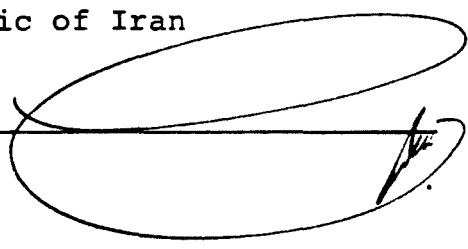
9) The Parties hereto consent to the submission of this Settlement Agreement to the authorities deemed appropriate by NIOC and Iran, including the Special Commission, prior to its filing with the Tribunal. The signing of this

Settlement Agreement by Iran's Agent to the Tribunal shall signify that all such authorities have given their approval.

IN WITNESS WHEREOF, San Jacinto, NIOC and Iran have caused this Settlement Agreement to be executed by their duly authorized representatives as of October 4, 1988.

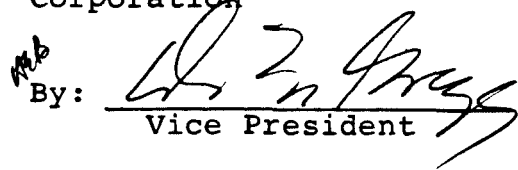
The Government of the Islamic
Republic of Iran

By: _____



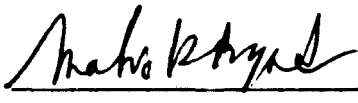
San Jacinto Eastern
Corporation

By: _____


Vice President

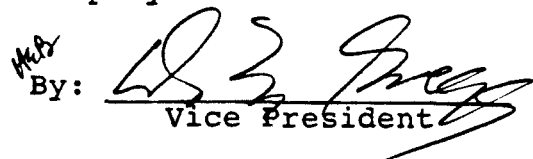
National Iranian Oil Company

By: _____



San Jacinto Service
Company

By: _____


Vice President

SECRETARY'S CERTIFICATE

I, the undersigned, J. O. Connell, Secretary of San Jacinto Eastern Corporation, a Corporation organized and existing under and by virtue of the laws of the State of Delaware, hereby certify that the following is a true copy of a resolution adopted by the Board of Directors of said Corporation by unanimous written consent effective September 26, 1988, and that said resolution is now in full force and effect, to wit:

RESOLVED, That the negotiation and settlement of the claims of this Corporation against the National Iranian Oil Company and the Government of the Islamic Republic of Iran before the Iran-United States Claims Tribunal for the total amount of \$2.6 million, which also includes the settlement of the claims of an affiliated company, is hereby ratified and confirmed; and

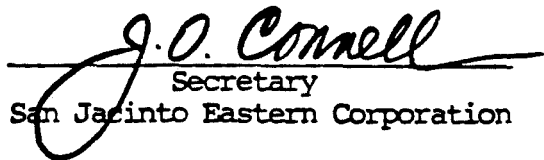
FURTHER RESOLVED, That a Settlement Agreement and Joint Request for an Arbitral Award on Agreed Terms, substantially in the form presented to this Board of Directors, are hereby approved; and

FURTHER RESOLVED, That the proper officers of this Corporation are authorized to execute and deliver on behalf of this Corporation the Settlement Agreement and Joint Request for an Arbitral Award on Agreed Terms approved in the foregoing resolution; and

FURTHER RESOLVED, That the proper officers of this Corporation are authorized to do or cause to be done any and all acts and things and to execute and deliver any and all other agreements, documents or written instruments as they may deem necessary or desirable in order to carry out the intent of the foregoing resolutions.

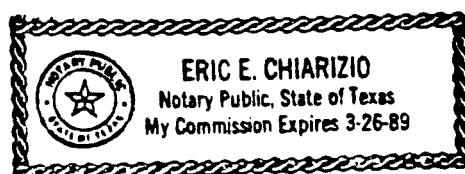
The undersigned further certifies that D. E. Gregg has served as a duly appointed, qualified and acting Vice President of San Jacinto Eastern Corporation at all times since January 22, 1982.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary and affixed the corporate seal of said Corporation, this 5th day of October 1988.


Secretary
San Jacinto Eastern Corporation

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on October 5, 1988, by J. O. Connell, Assistant Secretary of San Jacinto Eastern Corporation on behalf of said Corporation.




Notary Public

SECRETARY'S CERTIFICATE

I, the undersigned, J. O. Connell, Secretary of San Jacinto Service Company, a Corporation organized and existing under and by virtue of the laws of the State of Delaware, hereby certify that the following is a true copy of a resolution adopted by the Board of Directors of said Corporation by unanimous written consent effective September 26, 1988, and that said resolution is now in full force and effect, to wit:

RESOLVED, That the negotiation and settlement of the claims of this Corporation against the National Iranian Oil Company and the Government of the Islamic Republic of Iran before the Iran-United States Claims Tribunal for the total amount of \$2.6 million, which also includes the settlement of the claims of an affiliated company, is hereby ratified and confirmed; and

FURTHER RESOLVED, That a Settlement Agreement and Joint Request for an Arbitral Award on Agreed Terms, substantially in the form presented to this Board of Directors, are hereby approved; and

FURTHER RESOLVED, That the proper officers of this Corporation are authorized to execute and deliver on behalf of this Corporation the Settlement Agreement and Joint Request for an Arbitral Award on Agreed Terms approved in the foregoing resolution; and

FURTHER RESOLVED, That the proper officers of this Corporation are authorized to do or cause to be done any and all acts and things and to execute and deliver any and all other agreements, documents or written instruments as they may deem necessary or desirable in order to carry out the intent of the foregoing resolutions.

The undersigned further certifies that D. E. Gregg has served as a duly appointed, qualified and acting Vice President of San Jacinto Service Company at all times since January 22, 1982.

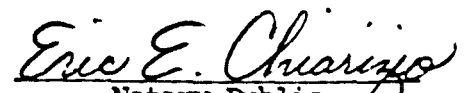
IN WITNESS WHEREOF, I have hereunto set my hand as Secretary and affixed the corporate seal of said Corporation, this 5th day of October 1988.


Secretary
San Jacinto Service Company

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on October 5, 1988, by J. O. Connell, Assistant Secretary of San Jacinto Service Company, a Delaware corporation, on behalf of said Corporation.




Notary Public

POWER OF ATTORNEY

STATE OF TEXAS)
) KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS)

That SAN JACINTO SERVICE COMPANY, a corporation organized and existing under the laws of the State of Delaware, United States of America, acting by and through the undersigned duly authorized officer, does hereby empower D. E. Gregg as its representative, agent and attorney-in-fact for purposes of negotiation and settlement of claims of the corporation in Claim Number 76 before the Iran-United States Claims Tribunal in The Hague against the National Iranian Oil Company and the Government of the Islamic Republic of Iran before the Iran-United States Claims Tribunal and the execution on behalf of the corporation of the Settlement Agreement and Joint Request for an Arbitral Award on Agreed Terms.

By executing this Power of Attorney, SAN JACINTO SERVICE COMPANY hereby gives and grants unto said attorney-in-fact full power and authority to do and perform every act necessary and proper to be done in the exercise of any of the aforementioned powers as fully as it might or could do if personally present, hereby ratifying and confirming all that said attorney-in-fact shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall be effective from September 1, 1988 and shall terminate December 31, 1988.

IN WITNESS WHEREOF, SAN JACINTO SERVICE COMPANY has caused these presents to be executed by its Vice President and attested by its Secretary this 9th day of NOVEMBER, 1988.

SAN JACINTO SERVICE COMPANY

By: 

Its: PRESIDENT

ATTEST:


Secretary

COUNTY OF HARRIS)
)
STATE OF TEXAS)

This instrument was acknowledged before me on _____, 1988, by William K. Dietrich, President of SAN JACINTO SERVICE COMPANY, a Delaware corporation, on behalf of said corporation.

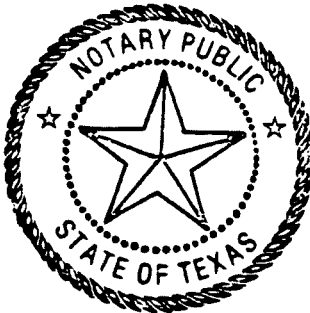


Notary Public

PATRICIA A. CROWE
Notary Public, State of Texas
My Commission Expires
May 8 1992

COUNTY OF HARRIS)
)
STATE OF TEXAS)

This instrument was acknowledged before me on _____, 1988, by J. O. Connell, Secretary of SAN JACINTO SERVICE COMPANY, a Delaware corporation, on behalf of said corporation.



Notary Public

PATRICIA A. CROWE
Notary Public, State of Texas
My Commission Expires
May 8 1992

POWER OF ATTORNEY

STATE OF TEXAS)
)
COUNTY OF HARRIS) KNOW ALL MEN BY THESE PRESENTS:

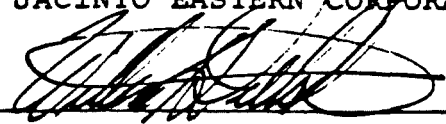
That SAN JACINTO EASTERN CORPORATION, a corporation organized and existing under the laws of the State of Delaware, United States of America, acting by and through the undersigned duly authorized officer, does hereby empower D. E. Gregg as its representative, agent and attorney-in-fact for purposes of negotiation and settlement of claims of the corporation in Claim Number 76 before the Iran-United States Claims Tribunal in The Hague against the National Iranian Oil Company and the Government of the Islamic Republic of Iran before the Iran-United States Claims Tribunal and the execution on behalf of the corporation of the Settlement Agreement and Joint Request for an Arbitral Award on Agreed Terms.

By executing this Power of Attorney, SAN JACINTO EASTERN CORPORATION hereby gives and grants unto said attorney-in-fact full power and authority to do and perform every act necessary and proper to be done in the exercise of any of the aforementioned powers as fully as it might or could do if personally present, hereby ratifying and confirming all that said attorney-in-fact shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall be effective from September 1, 1988 and shall terminate December 31, 1988.

IN WITNESS WHEREOF, SAN JACINTO EASTERN CORPORATION has caused these presents to be executed by its Vice President and attested by its Secretary this 9th day of NOVEMBER, 1988.

SAN JACINTO EASTERN CORPORATION

By: 

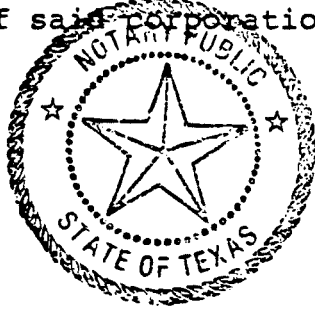
Its: PRESIDENT

ATTEST:


Secretary

COUNTY OF HARRIS)
)
STATE OF TEXAS)

This instrument was acknowledged before me on _____, 1988, by William K. Dietrich, President of SAN JACINTO EASTERN CORPORATION, a Delaware corporation, on behalf of said corporation.

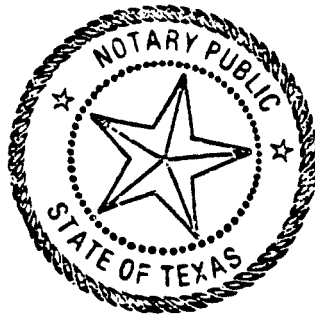


Patricia A. Crowe
Notary Public

PATRICIA A. CROWE
Notary Public, State of Texas
My Commission Expires
May 8, 1991

COUNTY OF HARRIS)
)
STATE OF TEXAS)

This instrument was acknowledged before me on _____, 1988, by J. O. Connell, Secretary of SAN JACINTO EASTERN CORPORATION, a Delaware corporation, on behalf of said corporation.



Patricia A. Crowe
Notary Public

PATRICIA A. CROWE
Notary Public, State of Texas
My Commission Expires
May 8, 1991