

ORIGINAL DOCUMENTS IN SAFECase No. 926Date of filing: 4 MAY 1984

** AWARD - Type of Award Agreed terms
- Date of Award 1 May 1984
4 pages in English 3 pages in Farsi
+ exhibits

** DECISION - Date of Decision _____
_____ pages in English _____ pages in Farsi

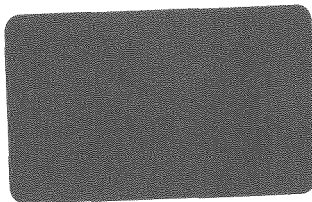
** CONCURRING OPINION of _____
- Date _____
_____ pages in English _____ pages in Farsi

** 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



CASE NO. 926

CHAMBER ONE

AWARD NO. 126-926-1

DAVID MIKHAEL INC.,
Claimant,
and
THE GOVERNMENT OF THE
ISLAMIC REPUBLIC OF IRAN,
ARVANDAN MARITIME CO.,
Respondents.

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه داوری دعاری ایران - ایالات متحدہ
FILED - ثبت شد	
Date	۱۳۶۳ / ۲ / ۱۴
4 MAY 1984	
No.	926
	شماره

AWARD ON AGREED TERMS

On 17 April 1984 a Joint Request for an Arbitral Award on agreed terms was filed with the Tribunal by DAVID MIKHAEL INC., ("DMI"), ARVANDAN MARITIME COMPANY, ("ARVANDAN"), and the Agent of the GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN, requesting the Tribunal to record as an Award on agreed terms a Settlement Agreement dated 12 April 1984 between DMI and ARVANDAN resolving the matters in dispute between them the subject of Case No. 926.

The Settlement Agreement provides for certain reciprocal obligations of the Parties.

Article 2 of the Settlement Agreement provides that the rendering of an Arbitral Award "shall constitute complete and final settlement of claims and the counterclaims now existing or capable of arising in connection with the claims and counterclaims in Cases 926 and 456 as presented in Chamber 1 of the Iran-U.S. Claims Tribunal".

The Claimant in Case No. 456, PETERSON BUILDERS, INC. filed with the Tribunal on 16 April 1984 a letter stating that upon the joint filing of a Settlement Agreement in Case No. 926, between David Mikhael Inc. and Arvandan Maritime Company, Claim No. 456 would be withdrawn. This letter superseded the letter filed in Case No. 456 on 22 March 1984.

By its Order dated 1 May 1984 the Tribunal has terminated the proceedings in Case No. 456.

Copies of the Settlement Agreement and Joint Request are annexed hereto.

The Tribunal accepts the settlement in accordance with Article 34 of the Tribunal Rules.

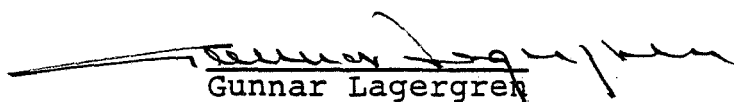
Based on the foregoing,

The Settlement Agreement is hereby recorded as an Award on agreed terms binding upon the Parties. Consequently, the Respondent ARVANDAN MARITIME CO. is obligated to pay the Claimant DAVID MIKHAEL INC. the amount of Four Hundred and Seventy Thousand United States Dollars (US \$470,000.00) 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 dated 19 January 1981.

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

In accordance with the request contained in Article 6 of the Settlement Agreement, the Tribunal hereby directs DAVID MIKHAEL INC. to request Bank Mellat (formerly Bank Tehran) to submit to ARVANDAN the originals of the two drafts referred to in Article 6(iii) of the Settlement Agreement.

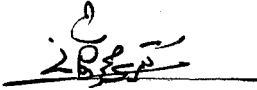
Dated, The Hague,
1 May 1984


Gunnar Lagergren
Chairman
Chamber One

I agree with the Chairman in accepting and recording of the Settlement Agreement as an Award on agreed terms but I dissent as to the remaining part of this Award not only because that part unilaterally condemns one of the parties to the performance of its obligations and ignores the reciprocal obligations of the other party but also

Concurring. I believe that the description of the mutual obligations of the Parties and the notification procedure set forth in the Award are appropriate and in accordance with the Algiers Declarations. See my Concurring Opinions in Case Nos. 279, 427 and 807 (Part IV). My views with regard to provisions such as

because it provides for an enforcement procedure, which a judge is barred from after deciding the dispute or accepting and recording the settlement, according to Article 34 of the UNCITRAL Rules.



Mahmoud M. Kashani

Article 1(c) of the Settlement Agreement are explained in the same Concurring Opinions (Part II).



Howard M. Holtzmann

IN THE NAME OF GOD

In the Iran-U.S. Claims Tribunal

The Hague,
The Netherlands

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه داری و داری ایران - ایالات متحده
FILED = ثبت شد	
Date	۱۳۶۲ / ۱ / ۲۸
	17 APR 1984
No.	926

Case No. 926

Chamber One

JOINT REQUEST FOR ARBITRAL
AWARD ON AGREED TERMS

Pursuant to Article 34 of the Tribunal Rules and Procedure, David Mikhael Inc. ("Claimant") and Arvandan Maritime Company and the Islamic Republic of Iran ("Respondents"), 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.

The Claimant and the Respondents have entered into a Settlement Agreement, a copy of which is attached hereto, providing that the Claimant shall be paid the amount of United States Dollars Four Hundred Seventy Thousand (US\$470,000) in complete and final settlement of all claims and counterclaims now existing or capable of arising in connection with Cases 926 and 456. A copy of conditional withdrawal of PBI claim under Case 456 which has been filed on March 22, 1984 with the Tribunal is attached hereto.

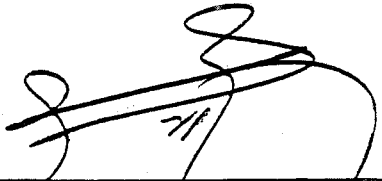
The undersigned request the Tribunal to record the Settlement Agreement as an arbitral award on agreed terms, with full

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payment to the Claimant to be made out of the Security Account subject only to the terms of the Settlement Agreement attached hereto.

Respectfully submitted

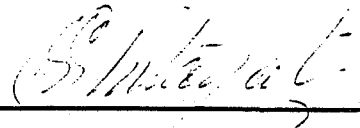
(u)



Mohammad K. Eshragh,
Agent of the Islamic Republic of Iran
to the Iran-United States Claims
Tribunal

Arvandan Maritime Company
By: Mehdi Lori Amini

Date: _____



David Mikhael Inc.
By: Ezra Chitayat

Date: _____

IN THE NAME OF GOD

ثبت شد - FILED

Date ۱۳۶۲ / ۱ / ۲۸

17 APR 1984

926

SETTLEMENT OF PAST ACCOUNTS

Following previous negotiations in the meeting of Nov. 24, 1983, this Memorandum of Settlement of Past Accounts, "THE SETTLEMENT", is made and entered into on this 12 day of April, 1984 by and between DAVID MIKHAEL INC., of 500 Fifth Ave., New York, New York 10036, United States of America, hereinafter referred to "DMI" represented by Mr. Ezra Chitayat upon the Letter of Authority dated Nov. 9, 1983, as attached, on one hand, and ARVANDAN MARITIME COMPANY, an Iranian Private Joint Stock Company, of 56 Sepahbod Gharani Ave, Tehran, Iran, represented by Mr. Mehdi Lori Amini, based on the Letter of Authority No. 620059 dated Mehr 3, 1362 (September 25, 1983), as attached on the other hand, hereinafter referred to as "ARVANDAN".

WHEREAS, the claims and counterclaims arise out of transactions between and among the above-mentioned parties; and

WHEREAS, the parties to this Settlement wish amicably to settle their claims and counterclaims filed with the Iran-U.S. Claims Tribunal under No. 926; and

WHEREAS, Peterson Builders Inc. (PBI), a corporation with its primary place of business at 101 Pennsylvania Street, Sturgeon Bay, Wisconsin 54235, has on March 22, 1984 filed a conditional withdrawal of all its claims under Case 456, in Chamber 1 of Iran-U.S. Claims Tribunal. (Copy attached).

NOW THEREFORE, the parties to this Settlement agree to settle the claims and counterclaims in exchange for considerations and under the terms and conditions set forth below:

ARTICLE 1. PAYMENT

- a) "ARVANDAN" agreed that "DMI" shall be paid the amount of US\$ Four Hundred Seventy Thousand, (US\$470,000) the "Settlement Amount".
- b) The parties shall submit to the Tribunal a Joint Request, pursuant to Article 34 of the Tribunal Rules, as amended, that the Tribunal record this "Settlement" as an Arbitral Award on Agreed Terms, and that the Tribunal order payment of the Settlement Amount to "DMI" from the Security Account provided that the Tribunal simultaneously and completely terminates for ever without prejudice PBI's claim under Case No.456. Such Arbitral Award shall automatically remove and nullify conditions set forth in PBI's submission of March 22, 1984.
- c) "ARVANDAN" 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 "DMI" out of the Security Account. Submission of this "Settlement" by the Agent of the Government of the Islamic Republic of Iran to the Tribunal means that such approval has been obtained.

ARTICLE 2. RELEASE AND TERMINATION OF PROCEEDINGS

- a) The issuance of the Arbitral Award for the payment of the Settlement Amount out of Security Account shall terminate the proceedings in the claims against "ARVANDAN" and the Government of the Islamic Republic of Iran and the counterclaims against "DMI" and shall constitute complete and final settlement of claims and the counterclaims now existing or capable of arising in connection

with the claims and counterclaims in Cases 926 and 456 as presented in Chamber 1 of the Iran-U.S. Claims Tribunal.

- b) Upon the issuance of the Arbitral Award for the full and final payment of the Settlement Amount out of Security Account, "DMI" shall for itself and the Peterson Builders Incorporation (PBI), and for the successors and assigns of itself and PBI and their subsidiaries and affiliates by this Settlement release and forever discharge "ARVANDAN" and the Government of the Islamic Republic of Iran and their subsidiaries, affiliates, directors, officers and employees (and the successors and assigns of them and their subsidiaries, affiliates, directors, officers and employees) from any and all liability that they ever had, now have or hereafter may have by reason of any past dealings between the parties in Cases 926 and 456 or that are capable of arising out of any such past dealings or from any claim that may be pending in any court or forum.
- c) Upon the issuance of the Arbitral Award for the full and final payment of the Settlement Amount out of Security Account, "ARVANDAN" and the Government of the Islamic Republic of Iran shall for themselves and their subsidiaries and affiliates (and for their successors and assigns and their subsidiaries and affiliates) by this Settlement release and forever discharge "DMI" and its subsidiaries, affiliates, directors, officers and employees from any and all liability that they ever had, now have or hereafter may have by reasons of any past dealings between the parties to this Settlement or that are capable of arising out of any such past dealings or from any claim that may be pending in any court or forum.

IN RESPECT TO CLAIM NO 926

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- d) Upon the issuance of the Arbitral Award for the full and final payment of the Settlement Amount out of Security Account, "DMI" shall for itself and the subsidiaries and affiliates of it (and for the successors and assigns of itself and their subsidiaries and affiliates) by this Settlement release and forever discharge "ARVANDAN" and the Government of the Islamic Republic of Iran and its agencies and instrumentalities from any liability that they ever had now have or hereafter may have that arises or is capable of arising out of contracts, transactions or occurrences that are the subject of Claims Nos. 926 and 456 before the Tribunal.
- e) As to any past dealings between the parties to Cases 926 and 456 should any claim be pending or be 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 its subsidiaries or affiliates, the party who or whose subsidiary or affiliate has caused or effected such assignment or whose transfer of rights shall be exclusively liable to such third party.
- f) The release set forth in this Settlement are self-executing upon the Arbitral Award on agreed terms for the full and final payment of the Settlement Amount out of Security Account.
- g) Upon the issuance of the Arbitral Award, the parties in Cases 926 and 456 waive any and all claims for costs, including Attorney's Fees arising out of or related to the Arbitration or Prosecution of the claims or counterclaims asserted (or which might have been asserted) before the Tribunal or elsewhere with respect to these claims or counterclaims.

- h) This Settlement, including the releases set forth in this Settlement does not apply to the subject matter of any other proceedings in the Tribunal except in accordance with the terms of this Settlement.

ARTICLE 3. OTHER MATTERS

- a) Upon the issuance of the Arbitral Award on agreed terms, any and all agreements and contracts between "DMI" and "ARVANDAN" and the Government of the Islamic Republic of Iran and any of their subsidiaries or affiliates, including any termination consequences thereof, will be terminated, if and to the extent not previously terminated. Accordingly, DMI undertakes to request Bank Mellat (previously Bank of Tehran) to submit the originals of the two drafts to ARVANDAN.

ARTICLE 4. VALIDITY

- a) This Settlement is valid upon recording by the Tribunal as an Award on Agreed Terms and only in its entirety. None of the terms and provisions of this Settlement may be interpreted separately or changed, except by the written agreement of the parties.
- b) This Settlement has been written and signed in both languages of Farsi and English, both of equal validity.

ARTICLE 5. CONFIDENTIALITY

- a) Prior to the full and final payment of the Settlement Amount to "DMI", the parties to this Settlement shall not refer to or divulge the contents of this Settlement.

(except for submission to the Tribunal); or of documents generated solely for purposes of Settlement Negotiations or of discussions in the course of the Settlement Negotiations in any pending or future proceeding before the Tribunal or elsewhere.

ARTICLE 6. OTHER CONDITIONS

Upon the submission of this "Settlement" to the Tribunal by the Agent of the Islamic Republic of Iran, the Tribunal simultaneous with the issuance of the Arbitral Award for the payment of the "Settlement Amount" will direct the following orders:

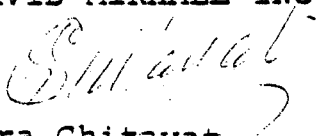
- (i) dismiss the PBI's claim under Case 456 completely and without prejudice,
- (ii) remove and nullify the conditions set forth in PBI's submission of March 22, 1984 and,
- (iii) direct DMI to request Bank Mellat (previously Bank Tehran) to submit to ARVANDAN the original copies of the two drafts.

ARTICLE 7. AUTHORITY

The representatives of the parties hereto expressly declare that they are fully empowered to sign this Settlement and their signatures will commit their respective principals to fulfilment of their obligations under this Settlement without any limitations, except as may be otherwise contained in this Settlement.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Settlement.

For DAVID MIKHAEL INC.


By: Ezra Chitayat

For ARVANDAN MARITIME COMPANY


By: Mehdi Lori Amini