

B22-122

CLAIMS TRIBUNAL

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دیوان دادرى دعادى ایران - ایالات متحدہ

۲۲ب - ۱۲۲

ORIGINAL DOCUMENTS IN SAFE

Case No. B22

Date of filing: 17 Jul '88

** AWARD - Type of Award Agreed Terms
- Date of Award 17 July '88
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



CASE NO. B22

CHAMBER ONE

AWARD NO. 374-B22-1

THE UNITED STATES OF AMERICA,
(COMMODITY CREDIT CORPORATION),
Claimant,

and

THE ISLAMIC REPUBLIC OF IRAN,
BANK MARKAZI IRAN,
ALAVI FOUNDATION (formerly the
PAHLAVI FOUNDATION),
Respondents.

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه دآوری دعاری ایران - ایالات متحدہ
ثبت شد - FILED	
Date	1 JUL 1988 تاریخ
۱۳۶۷ / ۵ / ۱	
No.	B 22 شماره

AWARD ON AGREED TERMS

1. THE UNITED STATES OF AMERICA, more particularly THE COMMODITY CREDIT CORPORATION OF THE UNITED STATES DEPARTMENT OF AGRICULTURE filed on 19 January 1982 a Statement of Claim naming as Respondent THE ISLAMIC REPUBLIC OF IRAN and, more particularly, BANK MARKAZI IRAN and THE ALAVI FOUNDATION (formerly the PAHLAVI FOUNDATION).

2. On 26 May 1988 the Government of the United States, more particularly the Commodity Credit Corporation of the United States Department of Agriculture (hereinafter called "Claimant") and Bank Markazi Jomhuri Islami Iran for itself and on behalf of the Alavi Foundation, and on behalf of the Government of the Islamic Republic of Iran, more particularly the Cereals Organization (hereinafter called "Respondent") entered into a Settlement Agreement.

3. Pursuant to Article 34 (1) of the Tribunal Rules, the Claimant and Respondent filed on 22 June 1988 a Joint Request signed by the Agent of the Government of the United States of America on the one hand, and the Agent of the Islamic Republic of Iran on the other, requesting that the Tribunal render an Award on Agreed Terms recording and giving effect to the Settlement Agreement dated 26 May 1988. Copies of the Joint Request and the Settlement Agreement are attached hereto.

4. Article II of the Settlement Agreement provides that the sum of eighteen million eight hundred fifty thousand U.S.Dollars (US\$18,850,000) ("the settlement amount") shall be paid to the Claimant "[i]n consideration of full and final settlement of all disputes, differences, claims and matters directly or indirectly raised or capable of arising out of the relationships, transactions, contracts and events related to the scope and subject matter of the Case No. B22 against respondents..."

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5. The Tribunal accepts the Settlement Agreement in accordance with Article 34, paragraph 1, of the Tribunal Rules.

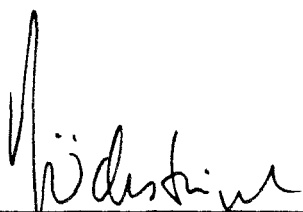
6. For the foregoing reasons,

THE TRIBUNAL AWARDS AS FOLLOWS:

The Settlement Agreement is hereby recorded as an Award on Agreed Terms binding upon the Parties. Consequently the Respondent is obligated to pay the Claimant THE UNITED STATES OF AMERICA, more particularly THE COMMODITY CREDIT CORPORATION OF THE UNITED STATES DEPARTMENT OF AGRICULTURE the amount of Eighteen Million, Eight Hundred and Fifty Thousand United States Dollars (U.S.\$18,850,000), which obligation shall be satisfied by payment 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.

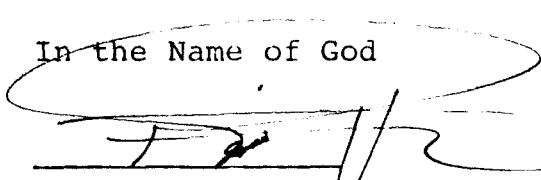
This Award will be submitted to the President for notification to the Escrow Agent.

Dated, The Hague,
1 July 1988

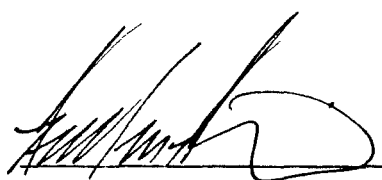


Karl-Heinz Böckstiegel
Chairman
Chamber One

In the Name of God



Assadollah Noori



Howard M. Holtzmann

IRAN UNITED STATES CLAIMS TRIBUNAL		دادگاه داری دعاوی ایران - ایالات متحده	
ثبت شد - FILED			
Date	22 JUN 1988	تاریخ	۱۳۶۷ / ۴ / ۱
No.	B22	شماره	

IN THE NAME OF GOD

Before

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

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Case No. B22

Chamber One

Joint Request for Arbitral Award on Agreed Terms
in Case No. B22, Chamber One

Pursuant to Article 34 of the Tribunal Rules, Bank Markazi Jomhuri Islami Iran for itself and on behalf of the Alavi Foundation, and on behalf of the Government of the Islamic Republic of Iran, more particularly the Cereals Organization (hereinafter "Respondent"), and the Government of the United States, more particularly the Commodity Credit Corporation of the United States Department of Agriculture (hereinafter called "Claimant"), jointly request that the Iran-U.S. Claims Tribunal issue an Arbitral Award on Agreed Terms that will record and give effect to the attached Settlement Agreement reached by the Parties, in Case No. B22, Chamber One.

On 26 May 1988, Claimant and Respondent have entered into a Settlement Agreement which provides that the Claimant shall be paid the Settlement Amount of (US\$18,850,000) Eighteen Million, Eight Hundred and Fifty Thousand United States dollars in complete and final settlement of all claims and disputes now existing or capable of arising in connection with the Case No. B22.

The undersigned request the Tribunal to record this Settlement Agreement as an Arbitral Award on Agreed Terms, giving effect to its terms and conditions and terminating all claims and counterclaims in Case No. B22 forever and with prejudice.

Respectfully submitted,

Timothy Ramish,
Agent of the Government of
the United States of America
to the Iran-U.S. Claims Tribunal

Timothy E. Ramish

Date: May 26, 1988

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

Mohammad K. Eshragh
Date: 26 May 88
تاریخ: ۲۶ مرداد ۱۳۶۷

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه داری و داری ایران - ایالات متحده
ثبت شد - FILED	
Date	22 JUN 1988 تاریخ
	۱۳۶۷ / ۴ / ۱
No.	B22 شماره

In the Name of God

SETTLEMENT AGREEMENT IN CASE No. B 22

Chamber 1

This Settlement Agreement is made this 26th day of May 1988 by and between the Government of the United States, more particularly the Commodity Credit Corporation of the United States Department of Agriculture (hereinafter called "Claimant"), and Bank Markazi Jomhuri Islami Iran for itself and on behalf of the Alavi Foundation, and on behalf of the Government of the Islamic Republic of Iran, more particularly the Cereals Organization (hereinafter called "Respondent").

WHEREAS, Claimant has filed certain claims in its Statement of Claim and other submissions filed with the Iran-United States Claims Tribunal (hereinafter referred to as the "Tribunal") under Case No. B22 (hereinafter "the Case") against the Islamic Republic of Iran ("Iran"), Bank Markazi Iran and the Alavi Foundation (formerly Pahlavi Foundation);

WHEREAS, respondents in responding to the Statement of Claim have filed their Statements of Defence and other submissions;

WHEREAS, Claimant and Respondent have agreed to settle all claims, disputes and differences outstanding or capable of arising in connection with the Case;

NOW, THEREFORE, in consideration of and under the conditions set forth herein, Claimant and Respondent agree as follows:

Article I

The scope and subject matter of this Settlement Agreement is to settle, dismiss and terminate forever and with prejudice all disputes, differences, claims and matters directly or indirectly raised or capable of arising out of the relationships, occurrences, contracts, transactions, rights and interests related to the subject matter of the Case.

Article II

In consideration of full and final settlement of all disputes, differences, claims and matters directly or indirectly raised or capable of arising out of the relationships, transactions, contracts and events related to the scope and subject matter of the Case No. B22 against respondents, Claimant shall be paid the sum of (US\$ 18,850,000) Eighteen Million, Eight Hundred Fifty Thousand United States Dollars (hereinafter referred to as the "Settlement Amount"). The Settlement Amount will be paid 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 January 19, 1981.

Article III

(i) This Settlement Agreement is subject to the approval of the appropriate Iranian authorities within thirty days from the date of this Agreement.

(ii) This Settlement Agreement is to be submitted to the Tribunal on or before June 25, 1988, together with a joint motion requesting the Tribunal 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, or within such additional time as the Parties may agree, 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 IV

Upon the issuance by the Tribunal of the Award on Agreed Terms and in contemplation of payment of the Settlement Amount, Claimant and Respondent shall cause, without delay and with prejudice, all proceedings against each other 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 Tribunal or any other forum, 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 connection with the scope and subject matter of this Settlement Agreement.

Article V

1. In consideration of the covenants, premises, and other agreements contained herein, upon the issuance of the Award on Agreed Terms by the Tribunal and in contemplation of payment of the Settlement Amount, Claimant and Respondent shall release and forever discharge each other, their affiliates, agencies and instrumentalities and Claimant shall release and forever discharge Iran, its agencies, affiliates and instrumentalities, from any claims, rights, interests, and obligations, past, present or future, which have been raised, may in the future be raised or could have been raised in connection with disputes, differences, claims and matters stated in, related to, arising from, or capable of arising from and/or in connection with the scope and subject matter of this Settlement Agreement.

2. Should any claims be pending or filed by a third party in any court or forum against either of the parties hereto

based on any assignment or transfer of rights of any kind from one of the parties hereto in relation to the Case, the Party who has effected or caused such assignment or transfer of rights shall be exclusively liable to such third party.

Article VI

Upon the issuance of the Award on Agreed Terms and in contemplation of payment of the Settlement Amount, Claimant and Respondent shall waive any and all claims for costs (including attorneys' fees) arising out of or related to the arbitration, prosecution or defense of the claims asserted before the Tribunal, United States courts or elsewhere with respect to matters involved in the Case.

Article VII

Upon the issuance by the Tribunal of the Award on Agreed Terms and in contemplation of payment of the Settlement Amount the releases, dismissals, waivers and withdrawals contained and referred to in this Settlement Agreement become self-executing.

After the issuance of the Award on Agreed Terms by the Tribunal, no further documents need to be executed in implementing this Agreement.

Article VIII

1. It is agreed that this Settlement Agreement is made in a spirit of private settlement of disputes, that it shall become null and void if not approved by the Tribunal and that it shall not affect any position of the Parties hereto in any matters other than the Case No.B-22. The Parties further agree that they shall not use, or cause any person to use this Settlement Agreement in the prosecution or

defense of any cases before the Tribunal or any other forum, except that the Parties may use this Agreement for the purpose of implementing its terms.

2. This Settlement Agreement is for the sole purpose of settling Case No. B-22. Nothing in this Settlement Agreement shall be relied upon or construed as relevant to, or to affect in any way, any argument Iran or its agencies, instrumentalities and affiliates, have raised, or may raise, concerning the jurisdiction or the merits of other cases whether before the Tribunal or any other forum.

Article IX

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

United States Department of
State on behalf of the
Government of the United
States, more particularly
the Commodity Credit Corpora-
tion of the United States
Department of Agriculture

Bank Markazi Jomhouri
Islami Iran for itself
and on behalf of the
Alavi Foundation, and on
behalf of the Islamic
Republic of Iran, more
particularly the Cereals
Organization.

By Ronald Betman

Date: May 26, 1988

By M. A. Behabadi

By V. Farabi

By F. Ahvabi

By F. Vaziri

Date: 26 May 1988