

ORIGINAL DOCUMENTS IN SAFE

Case No. 449

Date of filing 14 July 1983

☒ AWARD. Date of Award 14 July 1983

4 pages in English. 4 pages in Farsi.

attachment

☐ DECISION. Date of Decision _____

_____ pages in English. _____ pages in Farsi.

☐ ORDER. Date of Order _____

_____ pages in English. _____ pages in Farsi.

☐ CONCURRING OPINION of _____

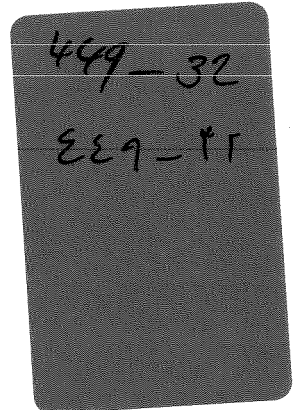
Date _____ pages in English. _____ pages in Farsi.

☐ DISSENTING OPINION of _____

Date _____ pages in English. _____ pages in Farsi.

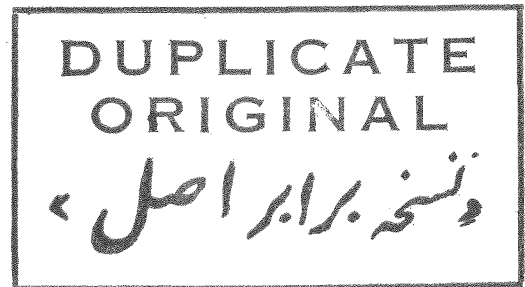
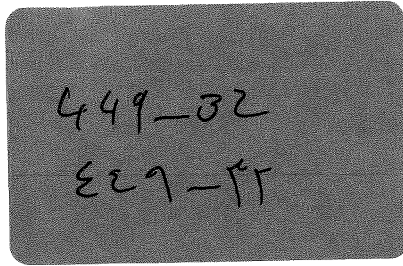
☐ OTHER; Nature of document: _____

Date _____ pages in English. _____ pages in Farsi.



IRAN-UNITED STATES CLAIMS TRIBUNAL

دیوان داری دعاری ایران - ایالات متحدہ



NATIONAL AIRMOTIVE CORPORATION,

CASE NO. 449

Claimant,

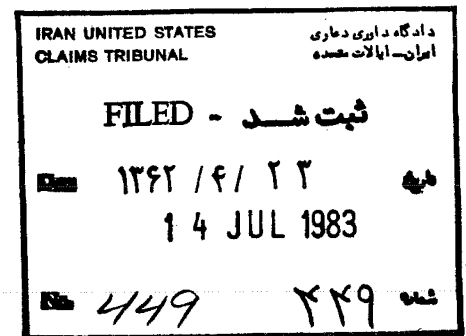
CHAMBER THREE

and

AWARD NO 58-449-3

THE ISLAMIC REPUBLIC OF IRAN and
IRAN AIRCRAFT INDUSTRIES,

Respondent.



AWARD ON AGREED TERMS

Representatives:

For the Claimant:

Gibson, Dunn & Crutcher,
Mr. John F. Olson,
Mr. Richard Chernick,
Mr. Larry C. Boyd,
Attorneys

De Brauw en Helbach,
Mr. J.L.W. Sillevius Smitt,
Attorneys

For the Respondents:

Mr. Mohammed K. Eshragh,
Deputy Agent of the
Islamic Republic of
Iran
Mr. Mahdi Farashahi,
Managing Director, Iran
Aircraft Industries
Mr. Saied Niazi,
Attorney

Claimant NATIONAL AIRMOTIVE CORPORATION filed with the Tribunal on 18 January 1982 a Statement of Claim against Respondents ISLAMIC REPUBLIC OF IRAN and IRAN AIRCRAFT INDUSTRIES.

Respondent IRAN AIRCRAFT INDUSTRIES filed a Statement of Defence and Counterclaim with the Tribunal on 26 October 1982.

On 8 July 1983, the Parties filed a Joint Request for an Award on Agreed Terms, a Settlement Agreement dated 1 October 1981 and an Amendatory Addendum to the Settlement Agreement dated 8 July 1983, copies of which are attached hereto.

Chamber Two has determined that it may act in the matter in lieu of Chamber Three pursuant to the authority accorded by Presidential Orders Nos. 9 and 10.

The Tribunal has satisfied itself that it has jurisdiction in the case and finds that an Award on Agreed Terms may be issued upon the submissions before it, in accordance with Article 34 of the Tribunal Rules and the standards applicable thereto.

Based upon the foregoing,

THE TRIBUNAL AWARDS AS FOLLOWS:

The settlement is hereby recorded as an Award on Agreed Terms, binding on all of the Parties, in full settlement of the entire case. Consequently, Respondent IRAN AIRCRAFT INDUSTRIES shall pay to the Claimant NATIONAL AIRMOTIVE CORPORATION the sum of Five Hundred Fifty-Three Thousand Eight Hundred Ninety-Four and 24/100 United States Dollars (U.S. \$553,894.24). Such payment shall be made out of the Security Account established pursuant to Paragraph 7 of the Declaration of the Democratic and Popular Government of Algeria dated 19 January 1981.

Chamber Two of the Tribunal, acting in lieu of Chamber Three pursuant to Presidential Orders Nos. 9 and 10, hereby submits this Award to the President for notification to the Escrow Agent.

Dated, The Hague

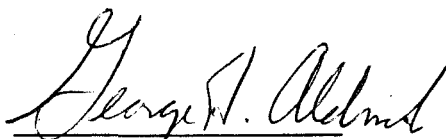
14 July 1983



Pierre Bellet

Chairman

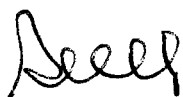
Chamber Two



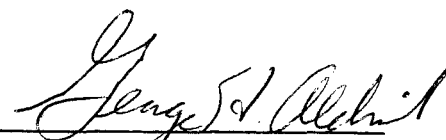
George H. Aldrich

Shafie Shafeiei

Having been notified to be available to participate in Chamber deliberations and proceedings during the period from 6 July to 31 July 1983, Mr. Shafeiei has absented himself and has failed to inform the Chamber of any address or telephone number where he can be reached. The Chairman of the Chamber has delivered to Mr. Shafeiei's office on 13 July a letter enclosing the draft award, informing Mr. Shafeiei of the place and time of signature and inviting him to attend. Mr. Shafeiei failed to attend the signing.

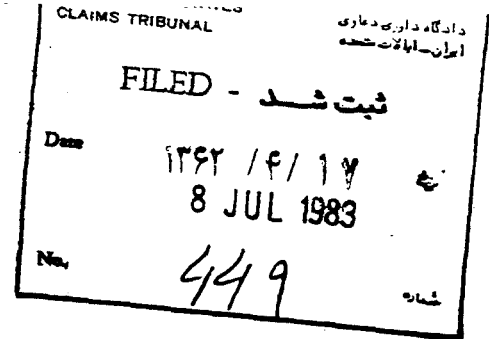


Pierre Bellet
Chairman
Chamber Two



George H. Aldrich

Dated: The Hague
14 July 1983



Before the

IRAN-UNITED STATES CLAIMS TRIBUNAL

(Chamber 3)

Claim no. 449

National Airmotive Corporation,
Claimant,

The Islamic Republic of Iran
Iran Aircraft Industries,
Respondents.

To the honourable members of the Iran-United States Claims Tribunal,

Enclosed please find a Joint Request for an arbitral award in the above case, with attached to it a true copy of a Settlement Agreement dated October 1, 1981 and Amendatory Addendum to the Settlement Agreement concluded on July 8, 1983.

Whereas said Agreement with Addendum is a short and simple document and there are no conditions to it, the parties express the hope that the issuance of an award on agreed terms based on said Agreement with Amendatory Addendum will be a simple matter.

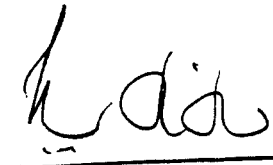
The fiscal year of National Airmotive Corporation ("NAC") ends on July 31. This circumstance makes it highly desirable

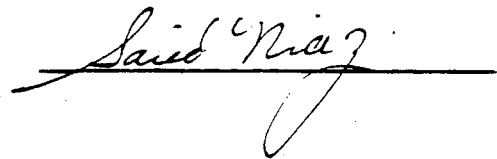
for NAC to receive payment under the award requested before July 31, 1983.

For the reasons stated above, the parties request the Tribunal to- if at all possible- issue an award on agreed terms based on the settlement agreement with amendatory addendum in time for NAC to receive payment out of the security account before July 31, 1983.

Respectfully submitted,

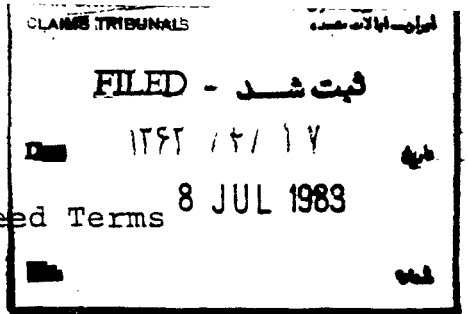
Gibson, Dunn & Crutcher
and De Brauw & Helbach





for respondent IACI
Iran Aircraft Industries

By J.L.W. Silleviss Smith
Attorneys for Claimant
National Airmotive Corporation



Joint Request for Arbitral Award on Agreed Terms

- 1) As a result of negotiations, the representatives of the National Airmotive Corporation, " Claimant" in Case No. 449 and Iran Aircraft Industries, "Res-pondent" in Case No. 449, have entered into a Settlement Agreement dated October 1, 1981 and an amendment thereto dated *8 July 1983* which is an integral part of the Settlement Agreement, Terminating all of the Claims and Counterclaims raised or which could have been raised by them in Claim No. 449 .

A Copy of the Settlement Agreement and the amendment thereto is annexed hereto.

- 2) Pursuant to Article 34(1) of the provisionally adopted Tribunal Rules, the Claimant and Respondent to Case No. 449 hereby jointly submit the Settlement Agreement to the Tribunal and request the Tribunal to (a) record the Settlement Agreement as an arbitral award on agreed terms and (b) direct the payment of 553,894.24 (Five Hundred Fifty Three Thousand Eight Hundred Ninty Four Dollars and Twenty Four Cents) as Settlement Amount to the Claimant out of the Security Account created pursuant to section 7 of the Declaration of the Govern-ment of the Democratic and Popular Republic of Algeria dated January 19, 1981.

Claimant in Case No. 449

By

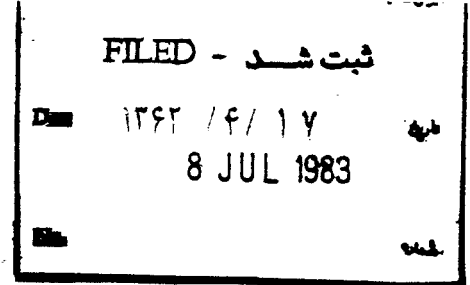
[Signature]

Respondent in Case No. 449

By

[Signature]

Amendatory Addendum



Whereas National Airmotive Corp. ("NAC") and Iran Aircraft Industries ("IACI") for the settlement of their disputes, signed an Agreement on October 1, 1981 which is appended hereto and constitutes an integral part hereof.

Whereas NAC on January 18, 1982 filed a claim, concerning the subject matter of the above Agreement, under No. 449 with the Arbitral Tribunal at the Hague.

Whereas IACI, by virtue of its Statements of Defense and Counterclaim filed with the Tribunal, has responded to NAC'S claims.

Whereas NAC and IACI desire to settle their disputes amicably and enforce the provisions of the Agreement dated Oct 1, 1981.

Now therefore, pursuant to negotiations held between the representatives of NAC and IACI with a view to enforcing the Agreement dated Oct 1, 1981, the parties agree as follows:

- 1- The provisions of the Agreement dated Oct 1, 1981 are valid and binding.
- 2- IACI hereby declares that NAC has discharged its obligations under the Agreement dated Oct 1, 1981, and the sums under paragraphs 6.c, 7, and 8 of the Agreement, totalling

M.K.

U.S.\$ 553,894.24, are payable to NAC in Settlement of all disputes between the parties as specified in the Statement of Claim and Statement of Defense pertaining to Case 449 pending before the Iran-United States Claims Tribunal.

- 3- NAC and IACI agree to submit the present settlement agreement to the Tribunal, to be filed as the basis of an Award on Agreed Terms.
- 4- It is agreed that the sum mentioned under paragraph (2) hereabove shall be paid out of the Security Account, subject matter of paragraph 7, of the General principles of the Declaration of the Government of the Democratic and Popular Republic of Algeria.
- 5- Upon payment of the above-mentioned sum, the right of the parties to take legal action, prosecute or institute any proceedings against each other, in connection with claims raised under Case 449, or counterclaims arising therefrom, before any arbitration tribunal or court of law, including the courts of the United States of America and Iran shall be waived.
- 6- The release mentioned in article 5 above shall include the Government of Islamic Republic of Iran.
- 7- Upon payment of the above-mentioned sum, all claims and counterclaims in the Statement of Claim and Statement of Defense under Case 449, which have been filed with the

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.....
M.K. J

Tribunal, shall be considered to have been dismissed.

National Airmotive Corp's
authorized representative
in Case 449.

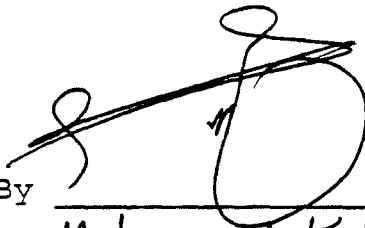


(Sgd) By

Iran Aircraft Industries'
authorized representative
in Case 449.

(Sgd) By Said Niazi

in the name of God
Deputy Agent of the Government
of the Islamic Republic of
Iran to the Iran-United States
Claims Tribunal.



(Sgd) By

Mohammad K. Esfahani

8 July 1983

IRAN UNITED STATES		شماره پرونده	
CLAIMING THROUGH		شماره پرونده	
FILED - ثبت شد			
Date	۱۳۶۲ / ۴ / ۱۶	Date	۸ JUL 1983
No.		No.	

Kazem 10.9.81
11/75

AGREEMENT

This agreement is entered into by and between IRAN AIRCRAFT INDUSTRIES (hereinafter called IACI) and NATIONAL AIRCRAFT CORPORATION (hereinafter called NAC) on October 1, 1981 in Vienna, Austria, in accordance with the terms and conditions as set forth below:

1. This agreement shall not be construed as having entered into force until such time as it has been duly ratified by the concerned authorities of the Islamic Republic of Iran, whose decision with respect hereto shall be made known to NAC no later than ⁶⁰45 (forty-five) days from the date of signing hereof. *gk*
2. NAC hereby agrees that no statements, admissions or representations made, understandings reached, agreements expressed or implied, information or data revealed or presented, exhibits, documents or evidence produced or submitted by IACI in the course of, incidental to or in connection with the negotiations preceding, leading to or culminating in this agreement shall, in any way, shape or form, be used by NAC, its officers, agents, affiliates or any third party against IACI, the Islamic Republic of Iran or any agency or instrumentality thereof in any concurrent or subsequent actions, claims, suits, proceedings, tribunals or litigations whatsoever, including, but not limited to, the Iran-U.S. claims tribunal.
The aforesaid statements, admissions, representations, understandings, agreements, information, data, exhibits, documents and/or evidence shall, inter alia, include this agreement in its entirety, and any documents or exhibits attached thereto and considered a part thereof should it fail to receive the final ratification of the Islamic Republic of Iran as called for in article 1 hereof.
3. NAC hereby agrees that upon full and complete discharge by the parties hereto of all obligations undertaken herein, NAC shall hold harmless and indemnify IACI, the Islamic Republic of Iran and/or any agency or instrumentality thereof against any and all further claims, losses, damages, costs, judgments, suits, assessments, liens, attachments, proceedings, litigations and/or actions involving NAC, its officers, agents, affiliates or any third party, whether natural or artificial, as a consequence of, arising or in connection with this agreement.
gk
from *gk*

gk
gk

4. NAC hereby agrees to withdraw its claim against IACI of U.S. dollars 254,254.47 (two hundred fifty-four thousand two hundred fifty-four dollars and forty-seven cents) for interest and alleged late charges on past due accounts, which claim is deemed unacceptable to IACI by virtue of force majeure conditions affecting such accounts.
5. NAC hereby agrees to renounce its claim against IACI for invoices totalling U.S. dollars 23,563.28 (twenty-three thousand five hundred sixty-three dollars and twenty-eight cents), as per exhibit No. 1 attached hereto and made a part hereof, covering various NAC charges not acceptable to IACI.
6. It is hereby further agreed that with respect to the remaining offload items subject of Exhibit No. 2 attached hereto and made a part hereof, NAC shall
 - a. Within 40 (forty) days of the date of signing hereof repair and ship to Iran all repairable items and invoice IACI in accordance with prices, rates, terms and conditions in effect at the time of related offload order (s).
 - b. Within 10 (ten) days of the date of signing hereof determine the status of, and request IACI's disposition instructions on, such offload items as may be found to be unrepairable for technical and/or economic reasons.
 - c. Hold in abeyance its claim amounting to U.S. dollars 27,513.91 (twenty-seven thousand five hundred thirteen dollars and ninety-one cents), covering charges for offload items held at NAC facilities, as per Exhibit No. 3 attached hereto and made a part hereof, until such time as the provisions of sub-articles "a" and "b" above have been fulfilled.
7. It is hereby further agreed that the total amount ^{due} NAC for material delivered and/or services rendered to IACI as of this date is U.S. dollars 501,551.89 (five hundred one thousand five hundred fifty-one dollars and eighty-nine cents). The aforesaid amount shall be exclusive of any additional amounts which may accrue to NAC pursuant to the provisions of article 6 hereof.
8. Whereas IACI and NAC have agreed that acceptance by IACI of certain invoices shall be contingent upon submittal by NAC of valid documentation confirming shipment to Iran of the material subject thereof or receipt by IACI's Freight Forwarder (s) of such material bound for ultimate shipment to Iran and, whereas NAC has now provided IACI with such documentation evidencing receipt by Behring International of such goods and, whereas IACI certifies Behring International as its duly designated Freight Forwarder and NAC's aforesaid documentation as valid, now, therefore, it is further agreed that an additional amount of U.S. dollars 24,828.44 (twenty-four thousand eight hundred twenty-eight dollars and forty-four cents) shall be due NAC, as per Exhibit No. 1 attached hereto and made a part hereof.

It is understood, however, that if at any time hereafter should any of the material subject hereof be discovered to have been returned to, and held in the custody of, NAC subsequent to shipment thereof to Behring International then NAC shall, subject to instructions from IACI at the time of such discovery, either ship the same or a like item to IACI or reimburse IACI at the then market price thereof.

9. It is hereby further agreed that any payment to NAC hereunder shall be contingent upon shipment by NAC of all IACI-owned assets remaining in NAC's custody.

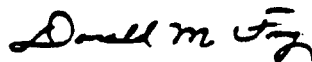
FOR AND ON BEHALF OF IRAN AIRCRAFT INDUSTRIES (IACI)



S. ESFAHANI
Accounting Manager

October 1, 1981

FOR AND ON BEHALF OF NATIONAL AIRCRAFT CORP. (NAC)



DONALD M. FRY
Vice President, Administration

October 1, 1981

EXHIBIT NO. 1

<u>INVOICE NO.</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>CREDIT MEMO</u>
33559	8,3,78	84.26	55487
34244	9,19,78	413.82	55488
39036	6,1,79	1521.30	55489
34686	10,17,78	6758.51	55490
32822	6,20,78	11.43	55491
31410	3,24,78	83.19	55492
28996	12,22,77	3911.18	agreed
33350	7,24,78	293.40	55495
26285	5,27,77	1876.11	55494
24131	4,15,77	1236.75	55493
36328	12,4,78	26.51	agreed
34399	10,1,78	260.00	agreed
27888	10,10,77	32.00	55496
29315	1,19,78	277.93	agreed
20977	9,7,76	3922.12	agreed
33938	8,25,78	201.10	agreed
23412	2,16,77	1181.08	agreed
24236	4,26,77	24.00	agreed
27678	9,23,77	95.97	agreed
27849	10,6,77	115.34	agreed
29474	1,26,78	84.46	agreed
34805	10,24,78	791.05	agreed
34399	5,20,77	361.77	agreed
total		23,563.28	

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NATIONAL ALABAMA

Exhibit No. 2

D. _____

NO.	P.O. NO.	SERIAL NO.	DESCRIPTION
1	US-57331	NIL	BOILER ROOM
2	US-57334	AAI262	COMBUSTION LINER
3	.	C-12294	WATER PUMP, 2ND STG
4	.	C-12447	.
5	.	C-72443	.
6	US-57334	NIL	TURBO, 1ST STG, 1ST STG
7	.	ND4876	WATERING
8	.	ND4835	WATERING
9	US-57338	AG22797	INDICATOR ASSY. 1ST STG
10	.	AG21780	.
11	.	AG23139	.
12	.	AG22799	.
13	.	AG22785	.
14	.	AG22795	.
15	US-57323	II63514	WATER ASSY. 1ST STG
16	.	II83416	COVER
17	US-57324	AAI321	LINER ASSY.
18	.	AAI376	.
19	.	AAI393	.
20	.	AAI403	.
21	.	AAI378	.
22	.	AAI384	.
23	US-57825	32124	WATER ASSY. 7TH STAGE
24	.	3150	.
25	.	28054	5TH
26	.	33207	1TH
27	.	AG32397	MAIN FLY. NOZZLES
28	.	AG36002	.
29	.	AG36001	.
30	.	AG3033	.
31	.	AG36876	.
32	.	AG-31705	.
33	.	AG-37325	.
34	.	AG-31709	.
35	.	AG-35191	.
36	.	AG-32811	.
37	.	AG-32804	.
38	.	AG-32876	.
39	.	AG-27622	.
40	.	AG-36285	.
41	.	AG-32806	.
42	.	AG-32877	.
43	.	AG-32802	.
44	.	AG-32873	.

A. 150-215 (CUM): NOT RECEIVED:

1	US-57469	S201
2	57474	SA-S-303
3	US-57480	NIL
4	.	SEP 1602C
5	.	SEP 16519
6	.	SEP 15279
7	US-57438	BL-8033
8	US-57441	10363
9	.	10357

STATER. ASSY.
STATER. ASSY.
100L. LINE. INTL
CASING. 100L. LINE. INTL

TURBO. 1ST STG. 1ST STG
TURBO. 1ST STG. 1ST STG

sch. 205

EXHIBIT NO. 3

<u>P.O. No.</u>	<u>Inv. No.</u>	<u>Date</u>	<u>Amount</u>
57331	33946	8-25-78	193.05
57824	36575	1-02-79	5,904.00
57338	36761	1-08-79	1,347.40
57441	36849	1-12-79	2,301.96
57438	36891	1-16-79	2,740.89
57825	37987	3-29-79	3,055.28
57823	38025	3-30-79	898.81
57469	41408	8-27-79	4,920.00
57474	39158	6-08-79	6,152.50

U.S. Dollars 27,513.91

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DmF

EXHIBIT NO. 4

<u>Inv. No.</u>	<u>Date</u>	<u>Amount</u>
33966	8-25-78	7,589.84
33967	8-25-78	7,961.93
34329	9-22-78	684.71
39158	6-08-79	5,206.29
36553	12-15-78	3,385.67

U.S. Dollars 24,828.44

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