

51-134

۵۱-۱۳۴

دیوان داوری دعاوی ایران - ایالات متحده

ORIGINAL DOCUMENTS IN SAFECase No. 51Date of filing: 27 APRIL 84

** AWARD - Type of Award Agreed terms
- Date of Award 27 APR 84
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: _____

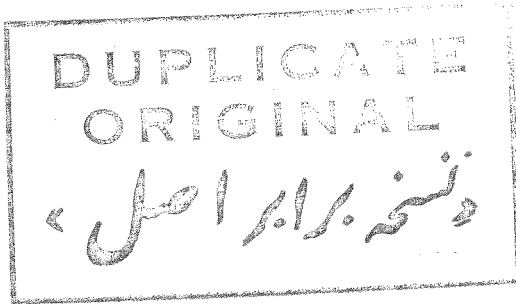
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IRAN-UNITED STATES CLAIMS TRIBUNAL

51-134

۵۱-۱۳۴

دیوان داری دعاوی



CASE NO. 51

CHAMBER TWO

AWARD NO. 124-51-2

HALLIBURTON COMPANY

and IMCO SERVICES

(U.K.) LTD.,

Claimants,

- and -

DOREEN/IMCO COMPANY

and THE ISLAMIC REPUBLIC

OF IRAN,

Respondents.

IRAN UNITED STATES CLAIMS TRIBUNAL		دادگاه داری دعاوی ایران - ایالات متحده
ثبت شد - FILED		
Date	۱۳۶۲ / ۲ / ۷	تاریخ
	27 APR 1984	
No.	51	شماره

AWARD ON AGREED TERMS

The Claimants, HALLIBURTON COMPANY, and IMCO SERVICES (U.K.) LTD., and Respondent herein THE ISLAMIC REPUBLIC OF IRAN, now as well as THE MINISTRY OF INDUSTRIES OF THE ISLAMIC REPUBLIC OF IRAN, have entered into a Settlement Agreement dated 16 March 1984, as well as a Supplement to Agreement ("Exhibit A") of the same date, resolving the matters in dispute between them, whereby it is agreed, inter alia, that the Claimant Halliburton Company shall be paid the sum of U.S. \$2,955,000, and that Claimant Halliburton Company shall transfer and assign all its claims, rights, and interests as specified in this case to the Ministry of Industries of the Islamic Republic of Iran "in such manner as to make the latter completely and in all respects the legal successor to, and locum tenens of, Halliburton Company and its affiliates and subsidiaries....". The Settlement Agreement and the Supplement thereto ("Exhibit A") are signed by the Ministry of Industries of the Islamic Republic of Iran, the Islamic Republic of Iran and by the Claimants.

The Tribunal has satisfied itself that it has jurisdiction in this matter within the terms of the Declaration of the Government of the Democratic and popular Republic of Algeria concerning the Settlement of Claims by the Government of the United States of America and the Islamic Republic of Iran of 19 January 1981.

The Tribunal notes that in this case an Interlocutory Award was rendered on 5 November 1982 (No. ITL 2-51-FT), in which it was held that the forum selection clause pertaining to part of the claim, the Purchase Agreement, falls within the

scope of the forum clause exclusion contained in Article II, paragraph 1 of the Claims Settlement Declaration, so that the Tribunal has no jurisdiction over this part of the Claim. The Tribunal equally notes, however, that in Article 3 of the Settlement Agreement and in the Supplement to the Settlement Agreement ("Exhibit A") the abovementioned decision is taken into account, in that the joint withdrawal of this part of the claim is provided for, in the context of the settlement.

In compliance with the requirement contained in Article 10 of the Settlement Agreement, the same Parties filed on 10 April 1984 a Joint Request for Arbitral Award on Agreed Terms to be rendered, recording and giving effect to the Settlement Agreement, including the Supplement thereto ("Exhibit A"), pursuant to Article 34 (1) of the Tribunal Rules. A copy of the Settlement Agreement, the Supplement ("Exhibit A") and the Joint Request are annexed hereto.

For the foregoing reasons,

THE TRIBUNAL MAKES THE FOLLOWING AWARD:

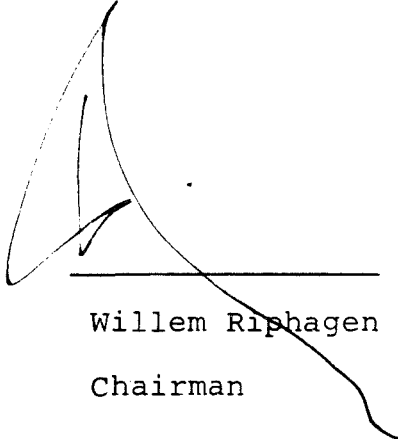
The Settlement Agreement and the Supplement thereto ("Exhibit A") filed with the Joint Request are hereby accepted and recorded as an Award on Agreed Terms, binding on the Parties, in full settlement of the entire case.

Consequently, the Claimant Halliburton Company shall be paid the sum of TWO MILLION NINE HUNDRED FIFTY FIVE THOUSAND United States Dollars (US \$2,955,000), 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.

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

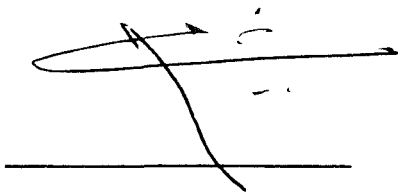
Dated, The Hague

27 April, 1984

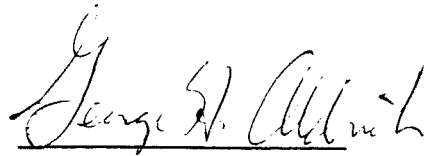


Willem Riphagen
Chairman
Chamber Two

In the Name of God



Shafie Shafeiei



George H. Aldrich

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه داری داری ایران - ایالات متحده
ثبت شد - FILED	
Date	۱۳۶۳ / ۱ / ۲۱ 10 APR 1984
No.	51

IN THE NAME OF GOD

IN THE IRAN-UNITED STATES CLAIMS TRIBUNAL
THE HAGUE, NETHERLANDS

CLAIM NO. 51
CHAMBER NO.2

HALLIBURTON COMPANY and
IMCO Services (UK) Ltd.,

Claimants,

- and -

Doreen/IMCO Company and
The Islamic Republic of Iran,

Respondents.

JOINT REQUEST FOR ARBITRAL
AWARD ON AGREED TERMS

Pursuant to Article 34 of the Tribunal's Rules of Procedure, Halliburton Company, IMCO Services (UK) Ltd, the Ministry of Industries of Iran and the Islamic Republic of Iran 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 to the Settlement Agreement.

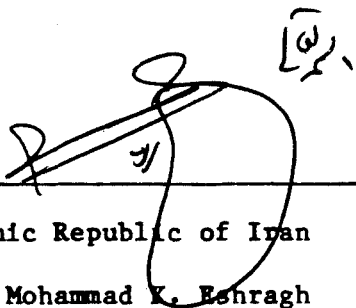
On March 16, 1984 Halliburton Company, IMCO Services (UK) Ltd, the Ministry of Industries of Iran, and the Islamic Republic of Iran, entered into a Settlement Agreement, a copy of which is attached hereto, providing that Halliburton Company shall be paid the amount of two million nine hundred fifty five thousand United States Dollars and no Cents

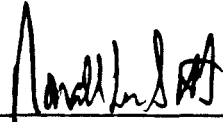
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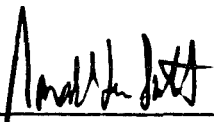
(US\$ 2,955,000) in complete and final settlement of all claims now existing or capable or arising in connection with this case.

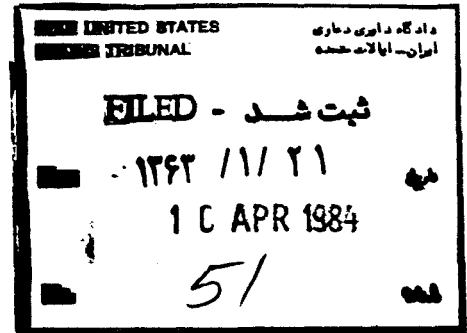
The Undersigned request the Tribunal to record the Settlement Agreement as an Arbitral Award on Agreed Terms, with payment to Halliburton Company to be made from the Security Account established by paragraph 7 of the Declaration of the Government of the Democratic and Popular Republic of Algeria of January 19, 1981, in Full Settlement of the claim asserted by Claimants in this case.


 Islamic Republic of Iran
 By : Mohammad K. Esfahani
 Agent of the Islamic Republic of
 Iran to the Iran-U.S. Claims Tribunal


 Halliburton Company
 By : Ronald Lee Scott


 The Ministry of Industries of 
 Islamic Republic of Iran
 By : Reza Khani Jazani


 IMCO Services (UK) Ltd.
 By : Ronald Lee Scott



IN THE NAME OF GOD

SETTLEMENT AGREEMENT IN CASE 51

This Settlement Agreement is hereby concluded on the 16th of March, 1984 between Ministry of Industries of Iran and the Islamic Republic of Iran ("Iran") represented by Mr. Reza Khani Jazani, on the one hand, and Halliburton Company, located at 2600 Southland Center, Dallas, Texas, U.S.A., and IMCO Services (UK) Ltd, 17 Hanover Square, London W1R 0EL, England, represented by Mr. Ronald Lee Scott (by virtue of telex no. 214 dated February 21, 1984 from Halliburton Company), on the other hand, under the following terms as set forth herebelow :

Whereas Halliburton Company owns 25 per cent of the equity stock of Doreen/IMCO (an Iranian Company registered in Tehran, Iran, under No. 21231); and

Whereas Halliburton Company, and IMCO Services (UK) Ltd, as the Claimants in Case 51, before Chamber Two of the Iran-United States Claims Tribunal, have claimed various amounts as the value of its stock, share premium, a loan and supplement thereto, advance payment made, cost of services rendered, and subsequent payments made, from Doreen/IMCO Co. and the Government of the Islamic Republic of Iran; and

Whereas the parties' fully-empowered representatives have agreed on out-of-court settlement of Claimants' claim on the basis of settlement negotiations;

Now therefore the parties agree to record the aforesaid agreement on the basis of mutual and reciprocal considerations as herebelow:

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1- In consideration for the sum of US\$ 2,955,000 (hereinafter the Settlement Amount), Halliburton Company shall transfer and assign all its claims, rights, and interests as specified in Case 51 before Chamber Two of the Tribunal, completely and fully in every respect to Ministry of Industries of Iran in such manner as to make the latter completely and in all respects the legal successor to, and locum tenens of, Halliburton Company and its affiliates and subsidiaries, and the said Claimant shall have no right in any forum in respect of the aforementioned claims, rights, and interests.

The claims, rights, and interests mentioned herein, include, but are not limited to the following :

(a) The par value of 3,900 shares of Doreen/IMCO's stock at Rls. 1,000 per share, and an amount of Rls. 63,427.500 paid to Iranian stockholders of Doreen/IMCO as share premiums. Effective as the date of payment of the Settlement Amount, these shares are transferred by Halliburton Company to Ministry of Industries of Iran (Claimants' "Appropriation Claim", C9(i) Statement of Claim dated November 16, 1981). To the best of Claimants knowledge, share certificates were never issued.

(b) The sum of six million dollars paid to Doreen/IMCO Company by Halliburton as loan and related amounts thereto, covered by Promissory Note dated August 31, 1978 obtained from Doreen/IMCO Co. and also the subject matter of loan and mortgage document No. 22022 dated 14.2.1356 (4.5.1977) of the Notary Public Office No.342 of Tehran. (Claimants' "Loan Claim" C9 (ii) of Statement of Claim dated November 16, 1981). The original of the said Promissory Note will be submitted to the Tribunal prior to issue of the Award on Agreed Terms for handing over to the Ministry of

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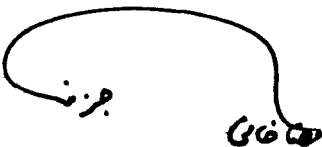

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Industries of Iran simultaneously with payment of the Settlement Amount to Halliburton Company. After the Tribunal has issued an Award, Halliburton Company shall endorse such note as set forth in Article 2 below.

(c) The amounts of US\$ 393,159, US\$ 334,716.52 and US\$ 225,000 paid to and demanded from Doreen/IMCO Company (Claimants "Advances Claim", "Services Claim", and "Letter Agreement Claim", C9 (iii), (iv) and (v), of the Statement of Claim No.51) and other amounts related thereto. The originals of the Promissory Notes related to the "Advances Claim" will also be submitted to the Tribunal for delivery to the Ministry of Industries of Iran, in the same manner as set forth in (b) above.


2- In connection with Notes (b) and (c) of Article 1 above the Parties agree that simultaneously with the payment of the Settlement Amount (US\$ 2,955,000) all endorsed promissory notes set forth in Exhibits B and D to Halliburton Statement of Claim relating to Case No.51 which is pending at the Iran-U.S. Claims Tribunal, in the name of the Ministry of Industries of Iran, will be delivered to Iran. The endorsement shall read as follows "Endorsed to the Ministry of Industry^{ies} without recourse, without warranty express or implied. Any legal action to be brought on notes will be in name of transferee".

3- Regarding Claimants' "Prepayment Claim" being of an amount of US\$ 2,100,000 the Parties have also settled the issue according to Exhibit A to this Agreement and request the Tribunal to dismiss this part of claim as well and the Claimants hereby withdraw their claim in this part fully and in all aspects, and waives any rights of instituting claim of whatever kind and nature on the basis of this issue.

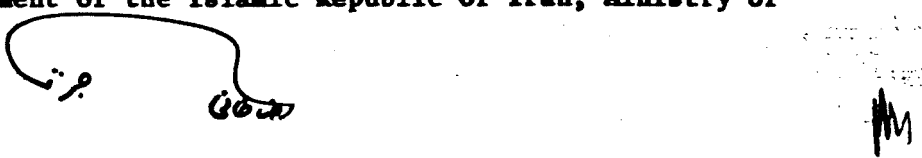
4- The payment of US\$ 2,955,000 to Halliburton Company as owner of all the claims raised in Case No. 51 before the Iran-U.S. Claims Tribunal, will be full and final settlement of all the claims of Halliburton Company and companies affiliated to it, their directors, legal successors and assignees in Case No.51, against the Government of the Islamic Republic of Iran, Ministry of Industries of Iran (Board for Protection of Industries), all or any agencies, instrumentalities or entities, owned, controlled, supervised or directly or indirectly managed by it, shall be made in respect of the above instances. All the claims of Halliburton Company and companies affiliated to it will be waived.

5- (a) Upon payment of the Settlement Amount under this Settlement Agreement, Halliburton Company or its affiliates and the nominees, successors and assigns of Halliburton Company and its affiliates and any and all persons claiming through or under them, or any of them, shall forthwith drop and withdraw any and all actions, court cases and legal proceedings which may have been initiated by them, or any of them, in any court of law, and/or arbitral board in the United States of America and/or any other country or in any international body, against the Government of the Islamic Republic of Iran and/or any and all agencies, bodies and entities owned, controlled, managed, supervised or administered directly or indirectly, arising from, based upon or in relation to claims and instances raised in Case 51 and the nominees, successors and assigns of Halliburton Company and its affiliates and any and all persons claiming through or under them, or any of them thereupon declare and acknowledge that any and all disputes which are the subject of the present settlements are settled and finally concluded, and they shall thereafter assert no claim and initiate no action,



lawsuit or legal proceedings of whatever kind and nature, directly or indirectly, arising from, based upon or in relation to claims and instances raised in Case 51 and the nominees, successors and assigns of Halliburton Company and its affiliates and all persons claiming through or under them, or any of them thereupon release and forever discharge the Government of the Islamic Republic of Iran and any and all agencies, bodies and/or entities owned, controlled, managed, supervised or administered by it, directly or indirectly, of and from all manner and kind of obligations, liabilities, controversies, claims, and demand, of whatever nature, whether known or unknown existing as of the date of this Agreement, arising from, based upon or in relation to claims and instances raised in Case 51. Halliburton Company and its affiliates and the nominees of Halliburton Company and its affiliates thereupon acknowledge and admit the full, absolute and unencumbered ownership right, title and interest of the Ministry of Industries of the Government of the Islamic Republic of Iran over and in the entire class "B" shares of the share capital of Doreen/IMCO Company, comprising twenty five per cent (25%) of the total share capital of Doreen/IMCO Company, and any and all rights attached to or arising from the said shares and other claims. Halliburton warrants and represents that it has not assigned, pledged or otherwise transferred said shares, or any interest in them, to any third party. Halliburton Company shall directly respond to and defend against any and all lawsuits or claims which may be asserted with respect to said shares by any third party assignee, pledgee or transferee from Halliburton Company and shall indemnify and hold harmless Iran and all its political subdivisions, agencies and instrumentalities against any damage or loss in this connection.


5- (b) Upon the coming into force of the releases and discharges in 5(a) hereof, the Government of the Islamic Republic of Iran, Ministry of



Industries of Iran, all agencies instrumentalities or entities and officials of Iran, jointly and severally hereby release and forever discharge Halliburton Company, its employees and subsidiaries (including but not limited to IMCO Services (UK) Ltd) from all manner and kind of obligations, liabilities, controversies, claims, and demand, of whatever nature, whether known or unknown, arising from, based upon or in relation to Case 51 which against Halliburton Company, said employees or subsidiaries, or any of them, Iran, the Ministry of Industries, all agencies, instrumentalities or entities or officials of Iran, or any of them ever had, now has, or will or may have from the beginning of the world to the end of the world, including but not limited to all claims for taxes (or penalties or interest with respect thereto), and all other exactions or charges of any kind asserted by Iran or any of its agencies or instrumentalities.

6- The Ministry of Industries will take necessary steps to remove the name "IMCO" from Doreen/IMCO.

7- The provisions of this Agreement and instances therein covered by the concurrence of the parties or statements made in good faith in the course of negotiations shall be considered as confidential and shall neither be invoked nor utilized, except in the present particular case as agreed upon and without affecting other cases, issues pending in the Iran-U.S. Claims Tribunal, under any circumstances and purposes whatsoever, including the basis of claims or defence of claims or counterclaims before the Tribunal arbitrating or examining the claims of Iran-United States of America or before any judicial or administrative or other executive forum in any part of the world.



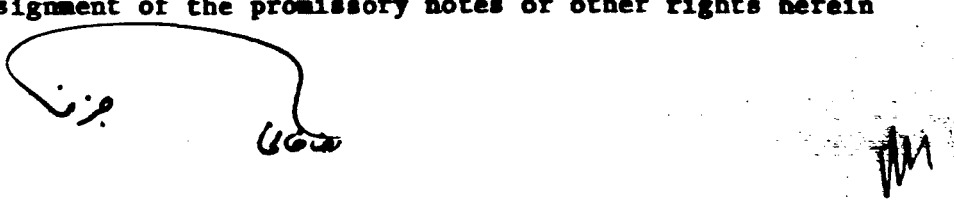
8- This Agreement will be submitted jointly by the Parties to the Tribunal and request will be made to render an award on the basis thereof. Should the Tribunal refuse to grant an Award on Agreed Terms as contemplated hereby, this Agreement shall be deemed void and without further force or effect.

9- This Agreement and the Appendix hereof have been drawn up in the Farsi and English languages and signed. Both texts will be equally valid.

10-It is the desire of the parties that the Settlement Amount be awarded to Halliburton Company by the Tribunal as promptly as possible and that all the claims asserted in the arbitration be thereupon terminated. Accordingly, no later than April 16, 1984, the parties will jointly file with the Tribunal a request for an Award on Agreed Terms in the form attached hereto. Following the filing of said request, the parties will cooperate fully with one another and with the Tribunal with respect to the consideration thereof by the Tribunal. This Settlement Agreement shall be deemed void and without further force or effect if not submitted to the Tribunal by April 16, 1984 as part of a joint request by the parties to the Tribunal to record it as an Award on Agreed Terms.

11-The parties agree to waive any and all claims for costs (including attorneys' fees) in any way arising out of or related to the prosecution or defense, (whether by arbitration or otherwise), of any Case 51 related claims or disputes asserted (or which could have been asserted), whether before the Tribunal or elsewhere.

12-Any Tax or fee imposed outside Iran by virtue of the transfer of Doreen/ IMCO shares or assignment of the promissory notes or other rights herein



shall be borne by Halliburton Company. Any tax or fee imposed in Iran by virtue of said transfer or assignments shall be borne by Iran.

بسمه تعالی

The Ministry of Industries و از طرف

Islamic Republic of Iran

By : Reza Khani Jazani

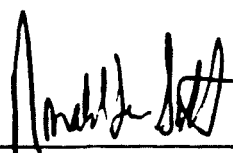
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بسمه تعالی

Islamic Republic of Iran و از طرف

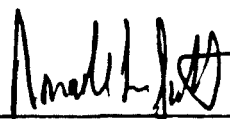
By : Reza Khani Jazani

مختاری



Halliburton Company

By : Ronald Lee Scott



IMCO Services (UK) Ltd

By : Ronald Lee Scott

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه اداری دعاوی ایران - ایالات متحده
ثبت شد - FILED	
Date	۱۳۶۲ / ۱ / ۲۱
	16 APR 1984
No.	51

EXHIBIT A

SUPPLEMENT TO AGREEMENT DATED MARCH 16, 1984

This Supplementary Agreement is signed on this 16th day of March, 1984 by and between Ministry of Industries of Iran and the Islamic Republic of Iran, represented by Mr. Reza Khani Jazani, on the one hand, and Halliburton Company and IMCO Services (UK) Ltd, represented by Mr. Ronald Lee Scott (by virtue of telex no.214 dated February 21, 1984 from Halliburton Company), on the other hand, pursuant to the Agreement signed for settlement of all the claims in case No.51 ("the Agreement") before the Iran-U.S. Claims Tribunal.

Whereas, one of the claims settled in the Agreement ("Prepayment Claim" C9 (vi)) concerns payment of US\$ 2,100,000 advance payment under the November 1976 contract for the purchase of Barite product; and

Whereas, the Iran-United States Claims Tribunal, in its decision ITL-2-51-FT dated November 5, 1982, has ruled against its jurisdiction in the above claim for US\$ 2,100,000;

Therefore, the Parties to the Agreement, declaring their unequivocal objective and will, hereby stress that, irrespective of the provisions of the Tribunal's decision, the Parties' intention is for Halliburton Company and IMCO Services (UK) Ltd to conclusively withdraw from the Tribunal their claim, concerning the above mentioned advance payment to Doreen/IMCO Co., against part of the overall agreed payment (US\$ 2,955,000) for settlement of case No.51 as provided in the Agreement, and to assign and transfer to the Ministry of Industries of Iran any and all their conceived rights in

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respect of the said amount and any derivatives thereof for any reason and under any title whatsoever, such that the Ministry of Industries of Iran shall be considered the Claimants' assigns in all respects.

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The Ministry of Industries of Iran
Islamic Republic of Iran

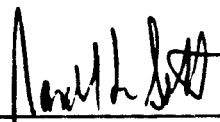
By : Reza Khani Jazani

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Islamic Republic of Iran

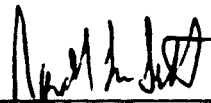
By : Reza Khani Jazani

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Halliburton Company

By : Ronald Lee Scott



IMCO Services (UK) Ltd

By : Ronald Lee Scott

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