

IRAN-UNITED STATES CLAIMS TRIBUNAL

دیوان دآوری دعاوی ایران - ایالات متحدہ



CASE NO. 56

CHAMBER THREE

AWARD NO. 481-56-3

AMOCO INTERNATIONAL FINANCE  
CORPORATION,

Claimant,

and

THE GOVERNMENT OF THE ISLAMIC  
REPUBLIC OF IRAN,  
NATIONAL IRANIAN OIL COMPANY,  
NATIONAL PETROCHEMICAL COMPANY, and  
KHARG CHEMICAL COMPANY LIMITED,  
Respondents.

IRAN-UNITED STATES CLAIMS TRIBUNAL	دیوان دآوری دعاوی ایران - ایالات متحدہ
FILED	ثبت شد
DATE	15 JUN 1990
	تاریخ ۱۳۶۹ / ۳ / ۲۵

AWARD ON AGREED TERMS

## I. INTRODUCTION

1. On 17 November 1981 AMOCO INTERNATIONAL FINANCE CORPORATION filed a Statement of Claim against THE ISLAMIC REPUBLIC OF IRAN, THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN, IRAN, as defined in the Claims Settlement Declaration, NATIONAL IRANIAN OIL COMPANY ("NIOC"), NATIONAL PETROCHEMICAL COMPANY, and KHARG CHEMICAL COMPANY LIMITED ("Khemco"), seeking compensation for the alleged taking of its rights under a joint venture agreement entered into between Amoco International Finance Corporation and the National Petrochemical Company. Following two hearings, the Tribunal on 14 July 1987 issued a Partial Award holding that Khemco was lawfully expropriated as of 24 December 1980 and that the Government of the Islamic Republic of Iran must compensate the Claimant for its expropriated interest. See Amoco International Finance Corporation and The Government of the Islamic Republic of Iran, et al., Partial Award No. 310-56-3 (14 July 1987), reprinted in 15 Iran-U.S. C.T.R. 189. The Tribunal deferred quantification of damages pending the filing by the Parties of additional submissions requested by the Tribunal in an Order of 16 July 1987. In response to this Order, and to the Tribunal's further Order of 7 September 1989 requesting certain additional data, both the Claimant and the Respondents filed extensive pleadings on the issue of quantification. Thereafter, on 5 April 1990, the Respondents filed a request for a third hearing and on 20 April 1990 the Claimant filed its opposition thereto. On 1 May 1990 the Respondents filed Comments on the Claimant's Objection to the Request for an Oral Hearing, on which the Claimant commented in a filing of 8 May 1990.

2. On 18 May 1990 Amoco International Finance Corporation, the Government of the Islamic Republic of Iran, NIOC, National Petrochemical Company, and Khemco ("the Parties") submitted a Joint Request for an Arbitral Award on Agreed Terms ("the Joint Request") in which the Parties request

that the Tribunal issue an Award on Agreed Terms that will record and give effect to a Settlement Agreement and that the Tribunal issue such an Award only in accordance with the terms and conditions set forth in the Settlement Agreement. Copies of the Joint Request and the Settlement Agreement are attached hereto and incorporated by reference.<sup>1</sup>

3. Article 2, paragraph 1 of the Settlement Agreement provides that the sum of Sixty million United States Dollars (U.S.\$60,000,000) ("the Settlement Amount") shall be paid to the Claimant on 29 June 1990 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 ("the Security Account")

[i]n consideration of the complete, full, final and definitive settlement of all disputes, differences, claims, counterclaims and matters directly or indirectly raised or capable of arising out of the relationships, transactions, rights, interests, contracts and occurrences, including without limitation the Khemco Agreement and any matters related thereto, in any manner related to the subject matter of the Statement of Claim, Statement of Defence and Counterclaims, and other submissions by the Parties in Case 56, and also in consideration of the covenants and premises set forth [in the Settlement Agreement.]

---

<sup>1</sup>Article 2, paragraph 2 of the Settlement Agreement provides that the Parties should submit the Joint Request to the Tribunal within twenty-four hours of the execution of the Settlement Agreement, and that "[i]f th[e Settlement] Agreement and the Joint Request are not submitted to the Tribunal within the time specified, or if the settlement agreement and joint request executed today in connection with Case No. 55 are not submitted to the Tribunal within the same period of time, then this Agreement shall be null and void and of no effect whatever as if never entered into." The Tribunal notes that both Settlement Agreements and Joint Requests were signed on 18 May 1990 and filed with the Tribunal on the same date.

4. Article 2, paragraph 3 of the Settlement Agreement provides:

It is the mutual desire and intention of the Parties that the Tribunal (1) ascertain that recordation of this Agreement as an Arbitral Award on Agreed Terms, and notification to Banque Centrale d'Algérie (the "Escrow Agent") of such award, can be accomplished in accordance with the following terms and conditions, and (2) proceed to file such an award only in accordance with these terms and conditions:

- (i) Subject to (ii) below, the Awards on Agreed Terms requested by the Parties in Cases 55 and 56 are to be filed sequentially, on the same date, by June 15, 1990.
- (ii) Awards shall be filed in Cases 55 and 56 only if the Tribunal first determines on the date both awards are filed that the balance in Account B of the Security Account, less the amounts (including estimated interest) of any outstanding notifications of awards to the Escrow Agent, is not less than the sum of the Settlement Amounts to be paid in Cases 55 and 56.
- (iii) The notifications to the Escrow Agent of the Awards in Cases 55 and 56 will be issued promptly and sequentially following the filing of the Awards in Cases 55 and 56. The said notifications shall provide that payment of the Settlement Amount to the Federal Reserve Bank of New York is to occur on June 29, 1990, and that the N.V. Settlement Bank of The Netherlands (the "Depository Bank") is to receive its payment instructions from the Escrow Agent on June 27, 1990.

5. Article 2, paragraph 4 of the Settlement Agreement provides:

It is the mutual intention and desire of the Parties that the Settlement Amounts be paid

to Claimant on June 29, 1990, and, to accomplish such payment, that (a) the notifications of the awards in Cases 55 and 56 be promptly dispatched together to the Escrow Agent and (b) the Depositary Bank receive its payment instructions from the Escrow Agent on June 27, 1990.

6. Finding that the conditions for the issuance of an Arbitral Award on Agreed Terms are met in this Case, and that the balance in Account B of the Security Account meets the requirements of Article 2, paragraph 3 of the Settlement Agreement, the Tribunal accepts the Settlement Agreement in accordance with Article 34 of the Tribunal Rules.

V. AWARD

7. Based on the foregoing,

THE TRIBUNAL AWARDS AS FOLLOWS:

- (a) The Settlement Agreement is hereby recorded as an Award on Agreed Terms binding AMOCO INTERNATIONAL FINANCE CORPORATION, THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN, NATIONAL IRANIAN OIL COMPANY, NATIONAL PETRO-CHEMICAL COMPANY, and KHARG CHEMICAL COMPANY LIMITED, in full and final settlement of the entire Case, each of which is bound to fulfill the terms and conditions set forth in the Settlement Agreement.
- (b) The payment obligation specified in the Settlement Agreement in the amount of Sixty Million United States Dollars (U.S.\$60,000,000) shall be satisfied on 29 June 1990, by payment to AMOCO INTERNATIONAL FINANCE CORPORATION 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, in accordance with the terms and conditions accepted above.

Dated, The Hague,  
15 June 1990



---

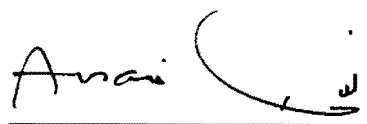
Gaetano Arangio-Ruiz  
Chairman  
Chamber Three

In the Name of God



---

Charles N. Brower



---

Parviz Ansari Moin

IN THE NAME OF GOD

Before the  
Iran-United States Claims Tribunal  
The Hague, The Netherlands

AMOCO INTERNATIONAL FINANCE  
CORPORATION,

Claimant,

v.

THE GOVERNMENT OF THE ISLAMIC  
REPUBLIC OF IRAN,  
THE NATIONAL IRANIAN OIL COMPANY,  
NATIONAL PETROCHEMICAL COMPANY, and  
KHARG CHEMICAL COMPANY LIMITED,

Respondents.

IRAN-UNITED STATES CLAIMS TRIBUNAL	ایران - ایالات متحده دعوی داری
FILED	ثبت شد
DATE 18 MAY 1990	
۱۳۶۹ / ۲ / ۲۸	تاریخ

Case No. 56

Chamber No. 3

JOINT REQUEST FOR  
AN ARBITRAL AWARD ON AGREED TERMS

Pursuant to Article 34 of the Rules of Procedure of the Iran-United States Claims Tribunal (the "Tribunal"), Amoco International Finance Corporation, a United States Delaware corporation, for itself, its subsidiaries, parents, affiliates, predecessors, assignees, and successors (hereinafter collectively referred to as "Claimant"), on the one part, and the Government of the Islamic Republic of Iran ("Iran"), the National Iranian Oil Company ("NIOC"), National Petrochemical Company ("NPC") and Kharg Chemical Company Limited ("Khemco") (collectively referred to

as "Respondents"), on the other part, jointly request that the Tribunal issue an Arbitral Award on Agreed Terms that will record and give effect to the attached Settlement Agreement which is incorporated herein by reference.

Claimant and Respondents further jointly request that the Tribunal issue such an award only in accordance with the terms and conditions set forth in the Settlement Agreement.

The Settlement Agreement, which was entered into on May 18, 1990, provides that in consideration of full and final settlement of all disputes, differences, claims, counterclaims and matters directly or indirectly raised or capable of arising out of the relationships, transactions, contracts and events related to the subject matter of Case No. 56, the sum of Sixty million United States Dollars (U.S.\$ 60,000,000) shall be paid to the Claimant, *ON JUNE 29, 1990.*


The representatives of Claimant and Respondents expressly declare that they are duly empowered to sign this Joint Request, and the signing of the Joint Request by Iran's Agent and the representative of NIOC, NPC, and Khemco, and by the representative of Claimant, shall signify that all necessary authorities have given their approval.

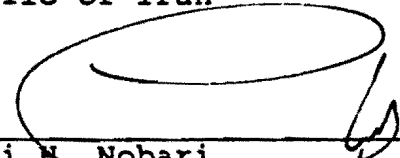
Handwritten signature and initials at the bottom right of the page.



This Joint Request is executed in The Hague, The Netherlands.

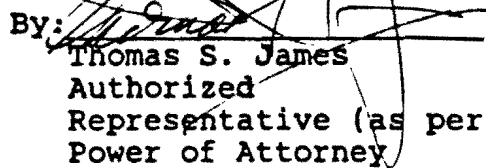
Respectfully submitted,

  
The Government of the Islamic  
Republic of Iran

By:   
Ali H. Nobari  
Agent of the Government of  
the Islamic Republic of  
Iran to the Iran-U.S.  
Claims Tribunal



Date: May 18, 1990

Amoco International  
Finance Corporation

By:   
Thomas S. James  
Authorized  
Representative (as per  
Power of Attorney  
attached)

Date: May 18, 1990

The National Iranian Oil Company,  
National Petrochemical Company,  
and Kharg Chemical Company Limited

  
By:   
S.M. Hosseini  
Authorized Representative  
(as per Power of Attorney  
attached)

Date: May 18, 1990

IN THE NAME OF GOD

SETTLEMENT AGREEMENT

IRAN-UNITED STATES CLAIMS TRIBUNAL	ایران - ایالات متحده اداره ادعای
FILED	ثبت شد
DATE	18 MAY 1990
	۱۳۶۹ / ۲ / ۲۸

This Settlement Agreement ("Agreement") is made and entered into this eighteenth day of May 1990 by and between Amoco International Finance Corporation, a United States Delaware corporation which for the purpose of this Agreement represents itself, its subsidiaries, parents, affiliates, predecessors, assignees, and successors (hereinafter collectively referred to as "Claimant"), on the one part, and the Government of the Islamic Republic of Iran ("Iran"), the National Iranian Oil Company ("NIOC"), National Petrochemical Company ("NPC"), and Kharg Chemical Company Limited ("Khemco") (hereinafter collectively called "Respondents"), on the other part, all hereinafter collectively called the "Parties".

WHEREAS Claimant, as the successor to and transferee of rights, interests, benefits, obligations and liabilities of Amoco International S.A. (an affiliate of Amoco Corporation, formerly named Standard Oil Company) related to its shareholdings in Khemco, has made certain claims against Respondents seeking reimbursement for alleged expropriation of certain rights arising from, and/or for alleged breach of, the Agreement between National Petrochemical Company and Amoco International S.A. dated 12th July 1966 and other agreements

and arrangements related thereto (hereinafter collectively referred to as the "Khemco Agreement") and has set out its claims in a Statement of Claim (along with supporting documents) and other submissions which have been docketed with the Iran-United States Claims Tribunal ("Tribunal") as Case No. 56 ("Case 56"); and

WHEREAS Respondents have made certain counterclaims against Claimant for alleged damages, which counterclaims have been set out in a Statement of Defence and Counterclaims and supporting documents and other submissions filed in Case 56; and

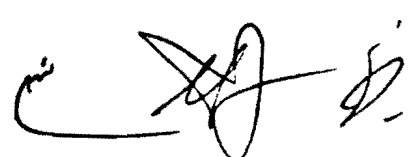
WHEREAS Case 56 is now pending before the Tribunal; and

WHEREAS Claimant and Respondents all desire to resolve, and to make a full, complete and final settlement of, all their claims, counterclaims and disputes existing or capable of arising between them out of Case 56 or in connection with the Khemco Agreement;

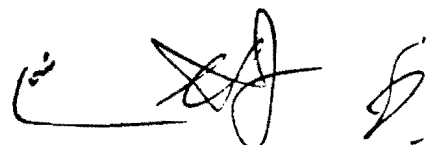
NOW, THEREFORE, the Parties agree as follows:

#### ARTICLE 1

The purposes of this Agreement are:

A handwritten signature in black ink, consisting of a large, stylized 'S' or 'J' shape with a horizontal line extending to the right and a small mark below it.

- (a) To settle, dismiss, withdraw, quitclaim and terminate definitively, forever and with prejudice all disputes, differences, claims, counterclaims and matters directly or indirectly raised or capable of arising out of the relationships, transactions, contracts, rights, interests and occurrences, including without limitation the Khemco Agreement and any matters related thereto, which have been the subject matter of Claimant's Statement of Claim, Respondents' Statement of Defence and Counterclaims, and related submissions filed with the Tribunal in Case 56;
- (b) To recognize as vested in NPC unconditionally and irrevocably, without any lien or encumbrance and without the right to any recourse, all Claimant's shareholdings in Khemco and all Claimant's rights, benefits, interests in and titles to all and any Khemco-related properties, parts and equipment and bank accounts whether or not claimed by Claimant in the Statement of Claim and subsequent submissions in Case 56, and to consider as vested in NPC all Claimant's rights, benefits, interests in and titles to the said shareholdings, properties, parts,

Handwritten signature and initials in black ink, located at the bottom right of the page. The signature appears to be a stylized 'S' or 'J' followed by a large 'X' and some other marks.

equipment and bank accounts including, but not limited to, those properties, parts, equipment and bank accounts of Khemco in or outside Iran, all to the extent provided in Article 3.7 of this Agreement; and

(c) To provide for the payment to Claimant of the Settlement Amount as defined and provided in Article 2.1 below.

## ARTICLE 2

2.1 In consideration of the complete, full, final and definitive settlement of all disputes, differences, claims, counterclaims and matters directly or indirectly raised or capable of arising out of the relationships, transactions, rights, interests, contracts and occurrences, including without limitation the Khemco Agreement and any matters related thereto, in any manner related to the subject matter of the Statement of Claim, Statement of Defence and Counterclaims, and other submissions by the Parties in Case 56, and also in consideration of the covenants and premises set forth herein, Sixty million United States Dollars (U.S.\$ 60,000,000) (the "Settlement Amount") shall be paid to Claimant on June 29, 1990, out of the Security Account established pursuant to Paragraph 7

Handwritten signature and initials in the bottom right corner of the page.

of the Declaration of the Government of the Democratic and Popular Republic of Algeria dated January 19, 1981 (the "Security Account").

2.2 Within 24 hours of the execution of this Agreement by the Parties, the Parties shall submit to the Tribunal a "Joint Request for an Arbitral Award on Agreed Terms" in the form attached hereto asking the Tribunal to record this Agreement as an Arbitral Award on Agreed Terms giving effect to the terms and conditions herein. If this Agreement and the Joint Request ~~attached hereto~~ are not submitted to the Tribunal within the time specified, or if the settlement agreement and joint request executed today in connection with Case No. 55 are not submitted to the Tribunal within the same period of time, then this Agreement shall be null and void and of no effect whatever as if never entered into.

2.3 It is the mutual desire and intention of the Parties that the Tribunal (1) ascertain that recordation of this Agreement as an Arbitral Award on Agreed Terms, and notification to Banque Centrale d'Algérie (the "Escrow Agent") of such award, can be accomplished in accordance with the following terms and conditions, and (2) proceed to file such an award only in accordance with these terms and conditions:

(i) Subject to (ii) below, the Awards on Agreed Terms

Handwritten signature and initials at the bottom right of the page.

requested by the Parties in Cases 55 and 56 are to be filed sequentially, on the same date, by June 15, 1990.

(ii) Awards shall be filed in Cases 55 and 56 only if the Tribunal first determines on the date both awards are filed that the balance in Account B of the Security Account, less the amounts (including estimated interest) of any outstanding notifications of awards to the Escrow Agent, is not less than the sum of the Settlement Amounts to be paid in Cases 55 and 56.

(iii) The notifications to the Escrow Agent of the Awards in Cases 55 and 56 will be issued promptly and sequentially following the filing of the Awards in Cases 55 and 56. The said notifications shall provide that payment of the Settlement Amount to the Federal Reserve Bank of New York is to occur on June 29, 1990, and that the N.V. Settlement Bank of The Netherlands (the "Depository Bank") is to receive its payment instructions from the Escrow Agent ~~by~~ <sup>ON</sup> ~~later than~~ June 27, 1990.



It is the agreement of the Parties that Arbitral Awards on Agreed Terms must be filed in both Cases 55 and 56 by June 15, 1990. If for any reason this does not occur, then the Joint Request for an Arbitral Award on Agreed Terms submitted to the Tribunal pursuant to Article 2.2 above shall be deemed withdrawn, this Agreement shall be null and void as if never entered into, the Parties shall be placed in the same position as they were in prior to the date of this Agreement, and Case 56 shall be placed in the same position with the Tribunal as if this Agreement had never existed. In addition, should an award be filed in this case but not in Case 55, then, in addition to the consequences described immediately above, no payment notification shall be issued to the Escrow Agent and the award shall be considered null and void.

2.4 It is the mutual intention and desire of the Parties that the Settlement Amount be paid to Claimant on June 29, 1990, and, to accomplish such payment, that (a) the notifications of the awards in Cases 55 and 56 be promptly dispatched together to the Escrow Agent and (b) the Depositary Bank receive its payment instructions from the Escrow Agent ~~by~~ <sup>on</sup> ~~no later than~~ June 27, 1990.

2.5 The Settlement Amount to be paid to Claimant is free of any Stated Payment, Additional Payment, or other financial



imposition of any kind by Iran, NPC, NIOC, or any other governmental entity in Iran, and is net of any Iranian tax and impositions.

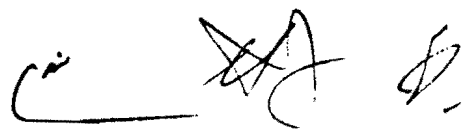
### ARTICLE 3

3.1 In consideration of the settlement of the claims and counterclaims raised in Case 56, and also in consideration of the payment to Claimant of the Settlement Amount, Claimant shall, for itself, its parent companies, affiliates and subsidiaries and their predecessors, successors, and assignees release, quitclaim and forever discharge Respondents and their parent companies (if any), affiliates, agencies, entities, organizations, subsidiaries, and instrumentalities and all of their predecessors, successors and assignees of, from and against any and all claims, demands, counterclaims, damages, suits, causes of action and actions, of any nature, whether in rem or in personam or otherwise, which Claimant and/or any of its parent companies, affiliates and subsidiaries, and its predecessors, successors and assignees ever had, now have, or hereafter may have that are related to, arise out of, or are capable of arising out of the contracts, transactions, relationships, rights, interests and/or occurrences, including without limitation the Khemco Agreement and any matters related thereto, that are the subject of the claims and counterclaims raised in Case 56.

Handwritten signature and initials at the bottom right of the page.

3.2 In consideration of the settlement of the claims and counterclaims raised in Case 56, and also in consideration of the payment to Claimant of the Settlement Amount, Claimant shall indemnify and hold harmless Respondents, their parent companies (if any), affiliates, subsidiaries, agencies and instrumentalities, and their predecessors, successors and assignees, or the successors and assignees of their parent companies, affiliates and subsidiaries, against any claim, counterclaim, action or proceeding that any or all of Claimant, its parent companies, affiliates, subsidiaries, and its predecessors, successors, and assignees, or the successors and assignees of its parent companies, affiliates and subsidiaries may raise, assert, initiate, or take against any or all of the Respondents, their parent companies (if any), affiliates, subsidiaries, agencies and instrumentalities, and their predecessors, successors and assignees, or the predecessors, successors and assignees of their parent companies (if any), affiliates or subsidiaries, relating to, or arising out of, or capable of arising out of, the contracts, transactions, relationships, rights, interests and/or occurrences, including without limitation the Khemco Agreement and any matters related thereto, that are the subject of the claims raised in Case 56.

3.3 In consideration of the settlement of the claims and counterclaims raised in Case 56, Respondents shall, for

Handwritten signatures and initials at the bottom right of the page, including a large stylized signature and several smaller initials.

themselves, their parent companies (if any), affiliates, subsidiaries, agencies and instrumentalities, and their predecessors, successors and assignees, release, quitclaim, and forever discharge Claimant and its parent companies, affiliates, subsidiaries and all of their predecessors, successors and assignees of, from and against any and all claims, demands, counterclaims, damages, suits, causes of action and actions, of any nature, whether in rem or in personam or otherwise, which any of Respondents and/or any of their parent companies (if any), affiliates, subsidiaries, agencies, and instrumentalities, and their predecessors, successors and assignees ever had, now have, or hereafter may have that are related to, arise out of, or are capable of arising out of the contracts, transactions, relationships, rights, interests, and/or occurrences, including without limitation the Khemco Agreement and any matters related thereto, that are the subject of the claims and counterclaims raised in Case 56.

3.4 In consideration of the settlement of the claims and counterclaims raised in Case 56, Respondents shall indemnify and hold harmless Claimant, its parent companies, affiliates and subsidiaries, and their predecessors, successors and assignees, or the successors and assignees of its parent

Handwritten signature and initials at the bottom right of the page.

companies, affiliates and subsidiaries, against any claim, counterclaim, action or proceeding that any or all of the Respondents, their parent companies (if any), affiliates, subsidiaries, agencies, instrumentalities, and their predecessors, successors and assignees, or the successors and assignees of their parent companies (if any), affiliates, subsidiaries, agencies and instrumentalities, may raise, assert, initiate, or take against any or all of Claimant, its parent companies, affiliates and subsidiaries, and their predecessors, successors and assignees, or the predecessors, successors and assignees of its parent companies, affiliates or subsidiaries, relating to, or arising out of, or capable of arising out of, the contracts, transactions, relationships, rights, interests, and/or occurrences, including without limitation the Khemco Agreement and any matters related thereto, that are the subject of the counterclaims raised in Case 56.

3.5 In consideration of the settlement of the claims and counterclaims raised in Case 56, and also in consideration of the payment to Claimant of the Settlement Amount, Claimant shall without delay cause all proceedings against Respondents in relation to the claims, counterclaims and matters related

Handwritten signature and initials in black ink, located at the bottom right of the page. The signature appears to be 'C. J. S.' with a large, stylized 'J'.

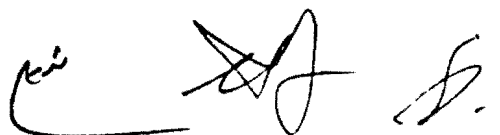
to Case 56 in all courts and fora, or before any authority or administrative body (including without limitation the arbitration between Amoco International S.A. and NPC, commenced by notice of arbitration dated August 15, 1980, and the case of Amoco Iran Oil Company et al. v. Islamic Republic of Iran et al., U.S. District Court for the District of Columbia, Civ. 82-0639, commenced by complaint filed March 5, 1982) to be definitively and with prejudice dismissed, withdrawn and terminated. Furthermore, Claimant 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 Respondents or any parents, subsidiaries, affiliates, agencies or instrumentalities of Respondents with regard to Case 56 arising or capable of arising out of the contracts, transactions, relationships, rights, interests and/or occurrences, including without limitation the Khemco Agreement and any matters related thereto, that are the subject of the claims and counterclaims raised in Case 56.

3.6 In consideration of the settlement of the claims and counterclaims raised in Case 56, Respondents shall cause without delay all proceedings against Claimant in relation to

Handwritten signatures and initials at the bottom right of the page. There are three distinct marks: a large, stylized signature on the left, a smaller signature in the middle, and a set of initials on the right.

the claims, counterclaims and matters related to Case 56 in all courts and fora, or before any authority or administrative body, to be definitively and with prejudice dismissed, withdrawn and terminated. Furthermore, Respondents 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 Claimant, or any parents, subsidiaries or affiliates of Claimant, with regard to Case 56 arising or capable of arising out of the contracts, transactions, relationships, rights, interests and/or occurrences, including without limitation the Khemco Agreement and any matters related thereto, that are the subject of the claims and counterclaims raised in Case 56.

3.7 In consideration of the settlement of the claims and counterclaims raised in Case 56, and also in consideration of the payment to Claimant of the Settlement Amount, Claimant shall, for itself, its parent companies, affiliates and subsidiaries and its predecessors, successors, and assignees, recognize as vested in NPC, unconditionally and irrevocably, without any lien or encumbrance and without the right to any recourse, and consider as transferred, all Claimant's shareholdings in Khemco and all Claimant's rights, benefits, interests in and titles to all and any Khemco-related properties, parts, and equipment now in the custody of Khemco or any of the Respondents, whether or not claimed by Claimant in

Handwritten signatures and initials at the bottom right of the page, including a large stylized signature and several smaller initials.

the Statement of Claim and subsequent submissions in Case 56, and any bank accounts of Khemco in or outside Iran, including without limitation Khemco's account no. 00098415 with Citibank, New York, New York.

3.8 The releases, waivers, transfers, withdrawals, dismissals assignments, undertakings, declarations, obligations and agreements stated in Articles 3 and 6 of this Agreement are effective and self-executing as of the date on which the Settlement Amount is paid by the Depositary Bank to the Federal Reserve Bank of New York and need not be signified by any additional documents, agreement, or writing.

#### ARTICLE 4

For the purpose of construction and interpretation of this Agreement, the entire Agreement shall be read and construed as a whole, and each article shall be read and construed in light of the entire Agreement. None of the terms of this Agreement may be changed, except by written agreement of the Parties.

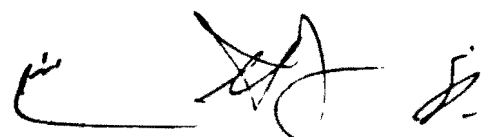
#### ARTICLE 5

5.1 Unless and until an Arbitral Award on Agreed Terms is issued by the Tribunal pursuant to this Agreement, the Parties

Handwritten signatures and initials at the bottom right of the page, including a large signature and several smaller initials.

will not refer to or divulge, or cause or permit anyone to refer to or divulge, the contents of this Agreement to any person who is not an employee of, or legal counsel to, one of the Parties or an employee of the United States government or the Depositary Bank, provided that this article shall not prevent the Parties from referring to or divulging the contents of this Agreement to members or employees of the Tribunal once the Agreement has been submitted to the Tribunal pursuant to Article 2.2 above. In no event will the Parties refer to or divulge the contents of preparatory or negotiating drafts or other documents generated solely for purposes of settlement negotiations in any proceeding before the Tribunal or elsewhere.

5.2 This Agreement is for the sole purpose of settling the disputes at issue in Case 56 and any related disputes, as described in Article 1 of this Agreement. Nothing in this Agreement shall be relied upon or construed as relevant to, or to affect in any way, any position and argument which Respondents (or any of their parent companies (if any) subsidiaries, affiliates, agencies, instrumentalities, entities, organizations, predecessors, successors and assignees) or Claimant (or any of its parent companies,

Handwritten signature and initials in black ink, located at the bottom right of the page. The signature appears to be a stylized 'J' or 'K' followed by a flourish, and the initials to the right are 'E' and 'J'.



affiliates, subsidiaries, predecessors, successors and assignees) has taken or raised or may take or raise in any cases, whether before the Tribunal or before any other forum, other than cases between themselves that involve the contracts, transactions, relationships, rights, interests, and/or occurrences, including without limitation the Khemco Agreement and any matters related thereto, that are the subject of the claims and counterclaims raised in Case 56. This Agreement does not constitute a legal precedent for any person and shall not be used except for the sole purpose of giving effect to its terms.

#### ARTICLE 6

The Parties shall waive any and all claims for costs against each other, including attorney's fees, arising out of or related to the arbitration, prosecution or defense of the claims and counterclaims asserted before the Tribunal, Iranian courts, U.S. courts, or elsewhere with respect to the matters involved in Case 56.

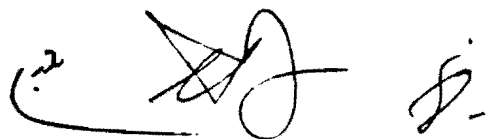
#### ARTICLE 7

This Agreement (in five originals in each language) has been prepared in English and Persian both having equal validity.

Handwritten signatures and initials at the bottom right of the page, including a large stylized signature and several smaller initials.

ARTICLE 8

The representatives of the Parties expressly declare that they are duly empowered to sign this Agreement and that their signatures will commit their respective principals to fulfillment of their obligations under this Agreement, and the signing of the Agreement by Iran's Agent and the representative of NIOC, NPC, and Khemco, and by the representative of Claimant, shall signify that all necessary authorities have given their approval.

Handwritten signatures and initials at the bottom right of the page. There are three distinct marks: a large, stylized signature on the left, a smaller signature in the middle, and a set of initials on the right.

IN THE NAME OF GOD

TO WHO IT MAY CONCERN

On the basis of certain Persian texts issued by the appropriate Iranian authorities and made available to me, I hereby certify that Mr. Seyed Mehdi Hosseini, Deputy Director, International Affairs of the National Iranian Oil Company is the true and authorized representative of the National Iranian Oil Company, Iranian Oil Company, Iranian Offshore Oil Company, National Petrochemical Company and Kharg Chemical Company Limited and is empowered to execute the Settlement Agreements and Joint Requests for Arbitral Award on Agreed Terms in Cases 55 and 56 before the Iran-United States Claims Tribunal.

A handwritten signature in dark ink, consisting of a large, sweeping loop followed by a smaller, more intricate flourish.

Ali H. Nobari  
Agent of the Government of  
the Islamic Republic of Iran to  
the Iran-U.S. Claims Tribunal

POWER OF ATTORNEY

**KNOW ALL MEN BY THESE PRESENTS:**

That Amoco International Finance Corporation, a corporation organized and existing under the laws of the State of Delaware, United States of America, (the "Company") acting by and through the undersigned duly authorized officer, does hereby empower Thomas S. James and Donald E. Baldovin, each of them individually and in the alternative, as its true and lawful representative, agent and attorney-in-fact, each being authorized and empowered to act for and on behalf of the Company, to do and perform such acts and execute and deliver all such agreements, affidavits, releases and other instruments including, without limitation, a Settlement Agreement and a Joint Request for an Arbitral Award on Agreed Terms, as may be necessary or desirable in the sole discretion of either of them, for the full, complete and final settlement of all claims of the Company against the Islamic Republic of Iran and its Government, the National Iranian Oil Company, National Petrochemical Company, Kharg Chemical Company Limited and the subsidiaries, affiliates, agencies or instrumentalities of any of them, (collectively the "Iranian Parties") as well as all claims and counterclaims of any and all of the Iranian Parties against the Company or any of its affiliates, as well as all related claims, counterclaims and disputes existing, arising out of or capable of arising out of Case No. 56 before the Iran United States Claims Tribunal or otherwise.

This Power of Attorney shall be effective from April 27, 1990 and shall terminate June 1, 1990.

IN WITNESS WHEREOF, the Company has caused these presents to be executed by its President and attested by its Secretary this 27th day of April, 1990.

By *T. S. James*  
President

ATTEST:

*D. E. Baldovin*  
Secretary

Subscribed and sworn to before  
me this 27th day of April, 1990.

*Debra A. Dowling*  
Notary Public

" OFFICIAL SEAL "  
DEBRA A. DOWLING  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 5/10/92