

ایالات متحدہ ایران - 94-182
94-182

ORIGINAL DOCUMENTS IN SAFE

Case No. 94

Date of filing: 28 Aug 84

** AWARD - Type of Award Partial award on agreed terms
- Date of Award 28 Aug 84
4 pages in English pages in Farsi
+ exhibits

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

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

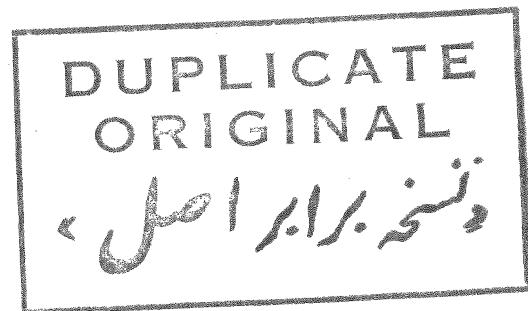
** SEPARATE OPINION of
- Date
 pages in English pages in Farsi

** DISSENTING OPINION of
- Date
 pages in English pages in Farsi

** OTHER; Nature of document:

- Date
 pages in English pages in Farsi

IRAN UNITED STATES CLAIMS TRIBUNAL		دادگاه دآوری دعاوی ایران - ایالات متحدہ	
ثبت شد - FILED			
Date	۱۳۶۳ / ۶ / ۶	تاریخ	
2 8 AUG 1984			
No.	94	شماره	



CASE NO. 94

CHAMBER ONE

AWARD NO. 147-94-1

GENERAL MOTORS CORPORATION,
GENERAL MOTORS OVERSEAS CORPORATION,
and GENERAL MOTORS OVERSEAS
DISTRIBUTION CORPORATION,
Claimants,
and
THE GOVERNMENT OF THE ISLAMIC
REPUBLIC OF IRAN and PARS KHODRO, CO.
(formerly GENERAL MOTORS IRAN LIMITED),
Respondents.

PARTIAL AWARD ON AGREED TERMS

On 26 July 1984 a Joint Request for an Arbitral Award on Agreed Terms was filed with the Tribunal signed by GENERAL MOTORS CORPORATION, GENERAL MOTORS OVERSEAS CORPORATION, GENERAL MOTORS OVERSEAS DISTRIBUTION CORPORATION, (together referred to as "GMC"), the Agent of THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN and PARS KHODRO, CO. Attached to the Joint Request was a Settlement Agreement dated 7 June 1984 signed by the same Parties, respectively the Claimants and Respondents in Case No. 94. Copies of the Joint Request and Settlement Agreement, excluding Appendices A and B, are annexed hereto.

The Settlement Agreement provides for certain reciprocal obligations of the Parties. It is stated to be in "complete, full, and final settlement of all claims and all counterclaims asserted or which could have been asserted by Claimants and Respondents with the Tribunal, including those set forth in Case No. 94, except that Claimants and Respondents expressly exclude from this Settlement Agreement the counterclaim filed by the Islamic Republic of Iran Railways ("I.R.I.R.") in Case No. 94."

Article Ten of the Settlement Agreement requires that the Settlement Agreement be duly ratified by the authorised representatives of the Parties. On 26 July 1984 a letter signed by the Vice President of GMC was filed with the Tribunal, ratifying the Settlement Agreement in its entirety on behalf of all the Claimants. In a letter to the Chairman of Chamber One filed on 23 August 1984 the Agent of THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN confirmed that he was authorised to sign a ratification on behalf of all Respondents in Case No. 94, and that the Settlement Agreement was ratified by them in its entirety. The Tribunal relies on the authority of the Agent of the Government of the Islamic Republic of Iran to bind his Government in this matter. See Claims Settlement Declaration, Article VI, paragraph 2. Taking into account

the fact that the Agent signed both the Settlement Agreement and the ratification, and noting the circumstances of those signings, the Tribunal considers that the provisions of Article Ten have been fulfilled.

The Joint Request contains a request that the contents of Appendices A and B to the Settlement Agreement be kept confidential on the grounds that they contain sensitive commercial information.

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

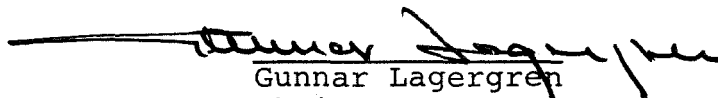
Based on the foregoing,

The Settlement Agreement is hereby recorded as a Partial Award on agreed terms, binding on the Parties and, subject to the provisions of Article Seven of the Settlement Agreement, dispositive of all claims and counterclaims in Case No. 94 with the exception of the counterclaim filed by The Islamic Republic of Iran Railways ("I.R.I.R."). Consequently THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN and PARS KHODRO CO. are obligated, subject to compliance by the Claimants with the terms of Article Two of the Settlement Agreement, to pay the Claimants GENERAL MOTORS CORPORATION, GENERAL MOTORS OVERSEAS CORPORATION, and GENERAL MOTORS OVERSEAS DISTRIBUTION CORPORATION, the total amount of Twenty Million United States Dollars (U.S. \$20,000,000), ("the Settlement Amount") 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, in the manner and subject to the conditions prescribed by Article Two, paragraph E of the Settlement Agreement.

The Tribunal determines in accordance with the request of the Parties and pursuant to Article 32 paragraph 5 of the Tribunal Rules that Appendices A and B to the Settlement Agreement shall not be made public.

This Award will be submitted to the President of the Tribunal for notification to the Escrow Agent of the payment of the Settlement Amount as provided by Article Two, paragraph E of the Settlement Agreement after the Tribunal has satisfied itself that the requirements of that Article with respect to payment have been fulfilled.

Dated, The Hague,
28 August 1984



Gunnar Lagergren
Chairman
Chamber One

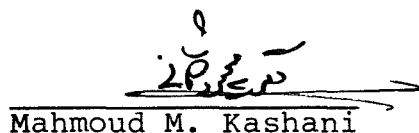


Howard M. Holtzmann

Dr. Kashani's Reasons for the Absence of his Signature

In the name of the Exalted

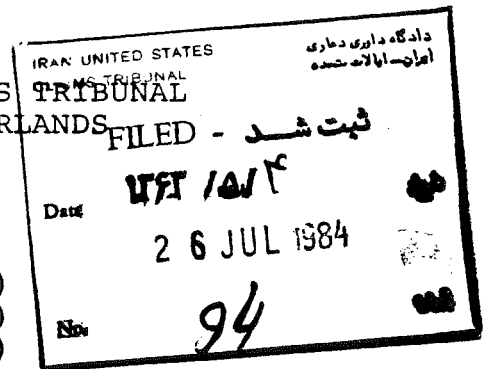
I abstain from signing this Partial Award on Agreed Terms for several reasons including the non-fulfillment of Article Ten of the Settlement Agreement between the Parties as to the method of ratification of the Agreement.



Mahmoud M. Kashani

IN THE NAME OF GOD

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



GENERAL MOTORS CORPORATION,
GENERAL MOTORS OVERSEAS CORPORATION,
and GENERAL MOTORS OVERSEAS
DISTRIBUTION CORPORATION,

Claimants,

-against-

THE GOVERNMENT OF THE ISLAMIC
REPUBLIC OF IRAN and GENERAL
MOTORS IRAN LIMITED (now known
as PARS KHODRO, CO.),

Respondents.

CASE NO. 94
CHAMBER NO. 1

JOINT REQUEST FOR ARBITRAL AWARD
ON AGREED TERMS


Pursuant to Article 34 of the modified Tribunal Rules of the Iran-United States Claims Tribunal, Claimants and Respondents in Case No. 94 hereby submit to the Tribunal the Settlement Agreement annexed hereto and jointly request that the Tribunal issue an Arbitral Award on Agreed Terms that will record and give effect to this Settlement Agreement in accordance with the provisions thereof.


This Settlement Agreement expressly excludes the counterclaim filed by the Islamic Republic of Iran Railways in Case No. 94.

M.K.

Claimants and Respondents hereby jointly request the Tribunal to keep the contents of Appendix A and B of this Settlement Agreement confidential in accordance with paragraph V, Article 32 of the modified Tribunal Rules because the contents thereof contain sensitive commercial information which should not be disclosed.

GENERAL MOTORS CORPORATION
GENERAL MOTORS OVERSEAS
CORPORATION
GENERAL MOTORS OVERSEAS
DISTRIBUTION CORPORATION


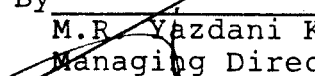
By 
Donald E. Staples
Assistant Comptroller
General Motors Corporation

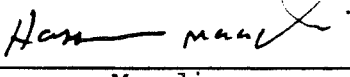
By 
Charles E. Fairfax, III
Attorney for General Motors
Corporation

GOVERNMENT OF THE
ISLAMIC REPUBLIC OF IRAN


By 
M.K. Eshragh
Agent of the Islamic
Republic of Iran

PARS KHODRO, CO.


By 
M.R. Yazdani Khorram
Managing Director

By 
Hassan Maadi
Attorney for Pars
Khodro, Co.

IN THE NAME OF GOD

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

CASE NO. 94
CHAMBER NO. 1

IRAN UNITED STATES CLAIMS TRIBUNAL	دادگاه داری داری ایران - ایالات متحده
ثبت شد - ۱۳۶۳ / ۵ / - ۹	
Date	26 JUL 1984
No.	94

GENERAL MOTORS CORPORATION,
GENERAL MOTORS OVERSEAS
CORPORATION; and GENERAL
MOTORS OVERSEAS DISTRIBUTION
CORPORATION,

Claimants.

THE GOVERNMENT OF THE
ISLAMIC REPUBLIC OF IRAN
and GENERAL MOTORS IRAN
LIMITED (now known as PARS
KHODRO, CO.),

Respondents.

SETTLEMENT AGREEMENT

This Settlement Agreement made this seventh of June 1984, by and between GENERAL MOTORS CORPORATION ("G.M.C.") in its own behalf and on behalf of GENERAL MOTORS OVERSEAS CORPORATION and GENERAL MOTORS OVERSEAS DISTRIBUTION CORPORATION, organized and existing under the laws of State of Delaware, U.S.A. (Collectively "Claimants"); on the one part, and the GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN ("Iran"), and PARS KHODRO COMPANY ("P.K.") (Formerly G.M. IRAN LTD.), organized and existing under the laws of Iran (Collectively "Respondents"), on the other part, relating to Case No. 94 filed with the Iran-U.S. Claims Tribunal (the "Tribunal").

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[Signature]

[Signature]

[Signature]

WITNESSETH

WHEREAS The Claimants have filed claims with the Tribunal in Case No. 94 against Respondents arising out of acts and events prior to 19 January, 1981; and

WHEREAS The Respondents have filed counterclaims with the Tribunal in Case No. 94 against Claimants arising out of acts and events prior to 19 January, 1981; and

WHEREAS The duly authorized representatives of Claimants and Respondents negotiated all claims and certain of the counterclaims in Case No. 94 from 1 June, 1984, to 7 June, 1984 and reached a mutually acceptable settlement of all claims and certain counterclaims as written below.

NOW THEREFORE In consideration of the mutual covenants, promises and agreements set forth herein Claimants and Respondents agree as follows:

ARTICLE ONE: Purpose of Settlement Agreement

The purpose of signing this Settlement Agreement is complete, full, and final settlement of all claims and all counterclaims asserted or which could have been asserted by Claimants and Respondents with the Tribunal, including those set forth in Case No. 94, except that Claimants and Respondents expressly exclude from this Settlement Agreement the counterclaim filed by the Islamic Republic of Iran Railways ("I.R.I.R.") in Case No. 94.

Claimants and Respondents shall submit this Settlement Agreement, and such other documents and agreements as may be necessary or appropriate, to the Tribunal with a request that the Tribunal record this Settlement Agreement as an Award on

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Agreed Terms pursuant to Article 34 of the modified Tribunal Rules. Claimants and Respondents shall file with the Tribunal a Joint Request for an Award on Agreed Terms and agree to co-operate fully to facilitate performance of this Settlement Agreement.

ARTICLE TWO: Payment of Settlement Amount

- A. Respondents shall pay or cause to be paid the sum of U.S. Dollars Twenty Million (U.S.\$20,000,000) (the "Settlement Amount") out of the Security Account established under Paragraph 7 of the Declaration of the Government of the Democratic and Popular Republic of Algeria dated 19 January, 1981 (the "Security Account"), subject to the terms of this Article.
- B. G.M.C. shall be obligated to deliver to P.K., the following materials, in accordance with the terms of this Settlement Agreement:
- (1). Unassembled component parts referred to as Seven Thousand Two Hundred (7,200) 1979 model year units of rear-wheel drive "X" cars, which were previously ordered by G.M.Iran from General Motors of Canada Limited ("G.M.Canada") and packed by G.M.Canada into shipping cases, stored at the ports of Toronto, Ontario, Canada and St. John, New Brunswick, Canada.
 - (2). Component parts which were previously ordered by G.M.Iran from G.M.Canada and packed by G.M.Canada into shipping cases, stored at the ports of Toronto and St. John, Canada referred to as valued at U.S. Dollars Two Million Two Hundred Sixty Six Thousand Five Hundred and Eleven (U.S.\$2,266,511).

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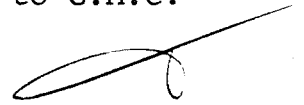
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- (3). Various component parts to replace discrepancies from previous orders referred to as valued at U.S. Dollars Twelve Thousand Five Hundred and Forty Two (U.S.\$12,542) placed by G.M.Iran with G.M.Canada, relating to, for example, bank stocks and short shipments as previously recognized by G.M.Canada.

All the materials referred to in Paragraphs (1), (2) and (3) above are hereinafter referred to collectively as the "Canadian Material".

- C. G.M.C. shall be obligated to deliver to the Tribunal, as soon as practicable after entry of the Award on Agreed Terms, for transfer to Iran the certificate evidencing G.M.C.'s ownership interests in G.M.Iran (under a transmittal letter attesting that such certificate is the original and the only document received by and in possession of G.M.C.) representing Sixty Eight Thousand Six Hundred and Twenty One (68,621) Class "C" shares of Rls. 10'000 each of G.M.Iran, as set forth in the Basic Agreement between the shareholders dated 6 June, 1972. If the certificate is for any reason lost, G.M.C. shall instead deliver to the Tribunal a declaration that the certificate is lost and signifying its consent that G.M.C.'s class "C" shares be deemed null and void. The Tribunal shall transfer the certificate or declaration to Iran upon final payment of the total Settlement Amount. In the event that this Settlement Agreement is not fulfilled the Tribunal shall return the certificate and transmittal letter or declaration to G.M.C.

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D. The certificate of origin or other evidence of title for each of the 83 Chevrolet Blazers consigned to "IRAN GEMCE" and delivered to the Port of Khorramshahr aboard the S.S. Hoegh Trigger on or about 5 June, 1978 shall be delivered to the Tribunal, as soon as practicable after entry of the Award on Agreed Terms, for transfer to P.K. The Tribunal shall transfer the certificate of origin or other evidence of title for each one of the Chevrolet Blazers to P.K. upon final payment of the total Settlement Amount. In the event that this Settlement Agreement is not fulfilled the Tribunal shall return the certificate of origin or other evidence of title for each of the Chevrolet Blazers to G.M.C.

E. After G.M.C. has delivered to the Tribunal the documents specified in the above sub-Articles C and D, G.M.C. shall be entitled to payment of Forty-five percent (45%) of the Settlement Amount upon delivery to the Tribunal of a Declaration that the Canadian Material stored at Toronto, Ontario, Canada has been loaded on board a vessel for shipment in accordance with this Settlement Agreement, together with bills of lading for such material; and shall be entitled to payment of Fifty-five percent (55%) of the Settlement Amount upon delivery to the Tribunal of a Declaration that the Canadian Material stored at St. John, New Brunswick, Canada has been loaded on board a vessel for shipment in accordance with this Settlement Agreement, together with bills of lading for such material.

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These Declarations shall be in the form attached hereto as "Schedule One".

G.M.C. shall not deliver bills of lading or Declaration for the materials loaded at Toronto, Ontario, Canada to the Tribunal until three (3) days after the vessel on which such material has been loaded has departed from the port of Toronto, Ontario, Canada.

G.M.C. shall not deliver bills of lading or Declaration for the materials loaded at St. John, New Brunswick, Canada to the Tribunal until three (3) days after the vessel on which such material has been loaded has departed from the port of St. John, New Brunswick, Canada.

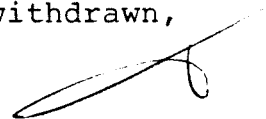
- G. After delivery of these bills of lading and Declarations to the Tribunal, the Tribunal shall transfer them to P.K.

ARTICLE THREE: Discharge of Claims

All claims submitted by Claimants and all counterclaims submitted by Respondents (except the counterclaim submitted by I.R.I.R.) in Case No. 94, are hereby dismissed and discharged.

All such claims and counterclaims, whether or not filed with any forum, including but not limited to any court in the U.S.A., Iran or any other country or any international forum (including without limiting the generality of the foregoing, Claimants' lawsuit filed against Respondents in the U.S. District Court, Southern District of New York, U.S.A. (Case No. 80 Civ. 6709)) shall be deemed to have been automatically withdrawn,

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dismissed and finally concluded. Neither Claimants nor Respondents shall bring any claim(s) or counterclaim(s) in any legal forum in the world in the future which were the subject matter of Case No. 94 (except the subject matter of the counterclaim by I.R.I.R.).


ARTICLE FOUR: Negotiable Instruments

A. All bank drafts, promissory notes, letters of credit, cheques or any other negotiable instruments, if any, drawn by Respondents in favor of Claimants prior to 19 January, 1981, but not paid before the date of this Settlement Agreement are null and void, and have no value whatsoever; such documents, if any, should be given to the Tribunal for transmittal to P.K.

P.K. shall not be liable for any payments on such negotiable instrument drawn by P.K. in favor of Claimants, or any banks, endorsees or holders thereof. G.M.C. shall hold P.K. harmless from any such claims or payments. G.M.C. shall be responsible for any such payment(s) made after the date of this Settlement Agreement.

B. All bank drafts, promissory notes, letters of credit, cheques, or any other negotiable instruments, if any, drawn by Claimants in favor of Respondents prior to 19 January, 1981, but not paid before the date of this Settlement Agreement are null and void, and have no value whatsoever; such documents, if any, should be given to the Tribunal for transmittal to G.M.C.

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Claimants shall not be liable for any payments on such negotiable instrument drawn by Claimants in favor of Respondents, or any bank, endorsees or holders thereof.

Respondents shall hold Claimants harmless from any such claim(s) or payment(s).

Respondents shall be responsible for any such payment(s) made after the date of this Settlement Agreement.

ARTICLE FIVE: Confidentiality

Claimants and Respondents agree that none of them shall refer to or divulge the contents of this Settlement Agreement (except for submission to the Tribunal); or of documents generated solely for purposes of settlement negotiations; or of documents generated in the course of the settlement negotiations, in any way, including in any pending or future proceedings between them in the Tribunal or elsewhere, except as necessary to enforce this Settlement Agreement.

Claimants and Respondents shall not use, permit, or cause any third party to use, this Settlement Agreement in the prosecution or defense of any other case before the Tribunal or proceedings in any other court or forum, except as necessary to enforce this Settlement Agreement.

Claimants and Respondents agree to request the Tribunal to keep the contents of this Settlement Agreement confidential in accordance with paragraph V, Article 32 of the modified Tribunal Rules.

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ARTICLE NINE: Releases

The final payment completing the Settlement Amount due to G.M.C. shall constitute complete and final settlement of all claims and counterclaims (Except I.R.I.R.'s counterclaim) now existing or capable of arising in connection with the subject matters of Case No. 94, and shall terminate all proceedings in Case No. 94 (except relating to I.R.I.R.'s counterclaim).

Upon the final payment to G.M.C., Claimants shall, for themselves and their successors and assigns, by this Settlement Agreement release and completely discharge the Respondents (except I.R.I.R.) and their agencies, instrumentalities, directors, officers and employees, and the successors and assigns of the Respondents (except I.R.I.R.) and their agencies, instrumentalities, directors, officers and employees, from any and all liabilities that they ever had, now have or hereafter may have by reason of any past dealings (including interest) on or before 19 January, 1981 between Claimants, or any of them, and Respondents asserted or capable of being asserted in Case No. 94.

Upon P.K.'s receipt of title to the Canadian Material and performance of obligations specified in Article Two, the Respondents (except the I.R.I.R.) shall, for themselves and their successors and assigns, by this Settlement Agreement release and completely discharge the Claimants and their subsidiaries, affiliates, directors, officers and employees (and the successors and assigns of the Claimants and their subsidiaries, affiliates, directors, officers and employees) from any and all liabilities that they ever had, now have or hereafter may have by reason

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of any past dealings (including taxes, social security or like charges) on or before 19 January, 1981 between Claimants or any of them and Respondents asserted or capable of being asserted in Case No. 94.

Upon the final payment to G.M.C., Claimants and Respondents (except I.R.I.R.) waive any and all claims for costs, including attorneys' fees, arising out of or related to the arbitration or prosecution of the claims and counterclaims asserted (or which might have been asserted) in Case No. 94 before the Tribunal; or asserted before any American, Iranian or any other court in relation to or arising out of the subject matter of Case No. 94.

ARTICLE TEN: Ratification

This Settlement Agreement is subject to ratification by representatives of Claimants and Respondents who have been duly authorized for that purpose.

Claimants and Respondents shall signify ratification by letters to the Tribunal, to which are attached executed originals of this Settlement Agreement. Each letter of ratification shall include the following language: The signatory hereby ratifies the Settlement Agreement in its entirety, executed on 7 June, 1984, by and between Claimants and Respondents in Case No. 94 before the Iran-United States Claims Tribunal. An executed original of the Settlement Agreement is attached hereto.

Signature on the ratification letters described above shall constitute the affirmation and declaration of each Claimant and Respondent that it has ratified this Settlement Agreement and that

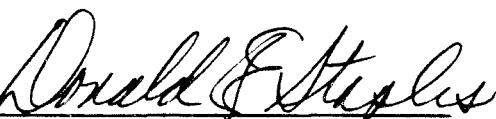
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the person signing the letter has full authority and capacity to execute the ratification letter on its behalf.

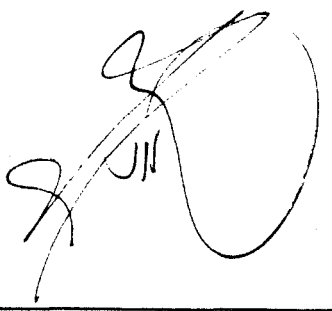
IN WITNESS WHEREOF The representatives of Claimants and Respondents have caused this Settlement Agreement to be executed and delivered in twelve originals, six in Farsi and six in English, with both language versions valid, and each of the twelve originals to be considered an original, in The Hague, The Netherlands, as of the date indicated on the first page hereof.

GENERAL MOTORS CORPORATION
GENERAL MOTORS OVERSEAS
CORPORATION
GENERAL MOTORS OVERSEAS
DISTRIBUTION CORPORATION

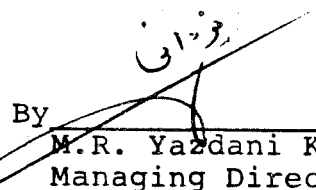
By 
Donald E. Staples
Assistant Comptroller
General Motors Corporation

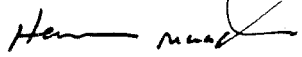
By 
Charles E. Fairfax, III
Attorney for General Motors
Corporation

GOVERNMENT OF THE
ISLAMIC REPUBLIC OF IRAN


By _____
M.K. Eshragh
Agent of the Islamic
Republic of Iran

PARS KHODRO, CO.


By _____
M.R. Yazdani Khorram
Managing Director

By 
Hassan Maadi
Attorney for Pars
Khodro, Co.

CG
DEL