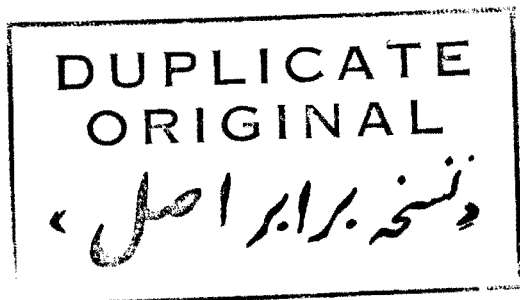


IRAN-UNITED STATES CLAIMS TRIBUNAL

دیوان دآوری دعای ایران - ایالات متحدہ



CASE NO. 12257

CHAMBER TWO

AWARD NO. 445-12257-2

T.G. HOWLAND INTERNATIONAL COMPANY, LIMITED,

a claim of less than U.S.\$250,000

presented by

THE UNITED STATES OF AMERICA,

Claimant,

and

THE GOVERNMENT OF THE ISLAMIC REPUBLIC

OF IRAN,

Respondent.

|                                       |  |
|---------------------------------------|--|
| IRAN-UNITED STATES<br>CLAIMS TRIBUNAL | دیوان دآوری دعای<br>ایران - ایالات متحدہ |
| FILED                                 | ثبت شد                                   |
| DATE                                  | 2 NOV 1969                               |
|                                       | تاریخ ۱۳۴۸ / ۸ / ۱۱                      |

AWARD ON AGREED TERMS

1. On 19 January 1982, the Government of the United States of America presented the Claim of less than U.S.\$250,000 of T. G. HOWLAND INTERNATIONAL COMPANY, LIMITED ("the Claimant") against THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN and in particular against INTERNATIONAL BANK OF IRAN, (now known as Bank Mellat) ("the Respondent") seeking recovery in connection with losses suffered by the Claimant in connection with a commercial debt payable by International Bank of Iran.

2. Pursuant to Article 34, paragraph 1 of the Tribunal Rules, a Joint Request was filed on 13 October 1989, signed by the Agent of the Government of the United States of America and by the Agent of the Government of the Islamic Republic of Iran, requesting that the Tribunal render an Award on Agreed Terms recording and giving effect to the Settlement Agreement in this Case, dated 4 September 1989. The Settlement Agreement provides for certain reciprocal obligations of the Parties thereto.

3. Copies of the Joint Request and the Settlement Agreement are attached hereto.

4. In view of the fact that the provisions of the Settlement Agreement fulfill the requirements for the issuance of an Award on Agreed Terms, the Tribunal accepts the Settlement Agreement in accordance with Article 34, paragraph 1, of the Tribunal Rules.

5. For the foregoing reasons,


THE TRIBUNAL AWARDS AS FOLLOWS:

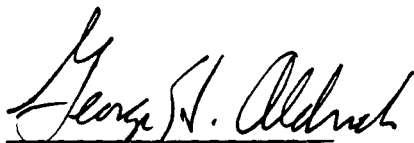
(a) The Settlement Agreement filed with the Joint Request is hereby recorded as an Award on Agreed Terms, binding on the Parties in full and final settlement of the entire Case.

(b) The Respondent BANK MELLAT shall pay the Claimant T. G. HOWLAND INTERNATIONAL COMPANY, LIMITED the amount of twelve thousand five hundred sixty-nine United States dollars (U.S.\$12,569.00), 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.


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

Dated, The Hague  
2 November 1989

  
\_\_\_\_\_  
Robert Briner  
Chairman

  
\_\_\_\_\_  
George H. Aldrich

In the name of God

  
\_\_\_\_\_  
Seyed K. Khalilian

See Separate Opinion  
in Award No.  
346-10973-2 (29  
January 1988)

IN THE NAME OF GOD

Iran-U.S. Claims Tribunal

The Hague

The Netherlands

|                                       |  |
|---------------------------------------|--|
| IRAN-UNITED STATES<br>CLAIMS TRIBUNAL | دیوان دادرسی دنیای<br>ایران - ایالات متحده |
| FILED                                 | ثبت شد                                     |
| DATE                                  | 13 OCT 1989                                |
|                                       | ۱۳۶۸ / ۷ / ۲۱ تاریخ                        |

The Government of the United States of America on behalf and for the benefit of T.G. Howland International Company Limited, a United States national,

Claimant,

-and-

The Islamic Republic of Iran,

Respondent.

Case No. 12257

Chamber Three ~~CH2~~


JOINT REQUEST FOR ARBITRAL AWARD ON AGREED TERMS

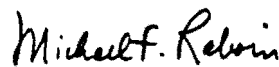
Pursuant to Article 34 of the Tribunal Rules, the Government of the United States of America, and the Government of the Islamic Republic of Iran, jointly request that the Tribunal issue an Arbitral Award on Agreed Terms that will record and give effect to the Settlement Agreement reached by Bank Mellat (successor to the International Bank of Iran) on the one part and T.G. Howland International Company Limited, on the other part. A copy of this Settlement Agreement is attached hereto.

This Settlement Agreement was reached by Bank Mellat and T.G. Howland International Company on 4 September 1989, and inter alia provides that T.G. Howland International Company shall be paid the amount of U.S.\$12,569 (Twelve thousand five hundred and sixty-nine U.S. dollars only) out of the Security Account in complete, full and final settlement of all claims and counterclaims now existing or capable or arising in connection with Case No.12257.

The undersigned hereby ratify the said Settlement Agreement and request the Tribunal to record it as an Arbitral Award on Agreed Terms, giving effect to its terms and conditions, and terminating Case No.12257 in its entirety and with prejudice.

Yours sincerely,

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

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

IN THE NAME OF GOD

SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement") is made this 4th day of Sept., 1989 ( 13.06.1368) by and between Bank Mellat (successor to the International Bank of Iran) on the one part, and T.G. Howland International Company, Limited, (hereinafter referred to as Howland) a company organized and existing under the laws of the State of New York, USA, on the other part.

WHEREAS the Government of the United States of America has filed a claim on behalf and for the benefit of Howland with the Iran-U.S. Claims Tribunal ("the Tribunal");

WHEREAS, Bank Mellat and Howland wish to settle all claims and disputes which are outstanding or capable of arising in connection with Case No. 12257 and its subject matter; (The case).

THEREFORE, Bank Mellat and Howland agree as follows:

ARTICLE ONE

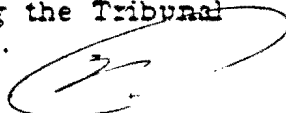
The scope and subject matter of this Agreement is to settle and dismiss, forever, all disputes, differences, claims, and matters directly or indirectly, raised or capable of arising out of the relationships, transactions, contracts and events related to the subject matter of the Case No.12257 against Bank Mellat, its predecessors, successors, agencies, branches, affiliates and subsidiaries and/or against the Islamic Republic of Iran, its political subdivisions, Iranian entities, agencies, organizations, institutions and instrumentalities and in general all Iranian real persons or legal entities named in the Case.

ARTICLE TWO

In consideration of full and final settlement of all disputes, differences and claims existing or capable of arising in connection with Case No.12257 Howland will be paid the sum of U.S.\$ 12,569 (Twelve thousand five hundred sixty nine United States dollars) (The "Settlement Amount").

ARTICLE THREE

The Parties agree to submit this Agreement to the Agents of the Governments of the United States of America and the Islamic Republic of Iran in order to be filed with the Iran-U.S. Claims Tribunal on or before 30th day of Nov., 1989, together with a Joint Motion ratifying the Agreement and requesting the Tribunal to record it as an Arbitral Award on Agreed Terms.



ARTICLE FOUR

Upon the issuance by the Tribunal of the Award on Agreed Terms, Howland shall cause, without delay and with prejudice, all proceedings against Bank Mellat and/or against the Islamic Republic of Iran, its agencies, entities, and instrumentalities (Iran) and in general all Iranian real persons and legal entities named in the Case in all courts, forums, or before any authorities or administrative bodies to be dismissed, withdrawn and terminated, and shall be barred from instituting and/or continuing with any proceedings before the Iran-U.S. Claims Tribunal or any other forum, authority or administrative body whatsoever, including but not limited to any court in the United States of America or in the Islamic Republic of Iran, in connection with disputes, differences, claims and matters related to the subject matter of the Case and/or any other past dealings.

ARTICLE FIVE

(1) Upon the issuance by the Tribunal of the Award on Agreed Terms, Bank Mellat and Howland for themselves and their parent companies (should there be any), subsidiaries, affiliates, directors, officers, employees and agents (and for the successors, transferees, and assigns of themselves and their subsidiaries and affiliates, directors, officers, and employees) by this Agreement release and forever discharge each other and their parent companies (should there be any), subsidiaries, affiliates, directors, officers and employees (and the successors, transferees, and assigns of each other and their subsidiaries, affiliates, directors, officers and employees) from any and all liability that they ever had, now have and/or in future may have in connection with, and arising out of the contracts, transactions, and occurrences related to the subject matter of the Case.

(2) Upon the issuance by the Tribunal of the Award on Agreed Terms, Howland, for itself and its parent companies (should there be any), subsidiaries, affiliates, directors, officers and employees (and for the successors, transferees, and assigns of itself and its parent companies, subsidiaries, affiliates, directors, officers and employees), by this Agreement release and forever discharge Bank Mellat, Iran and in general all Iranian real persons or legal entities named in the Case from any and all liability that they ever had, now have and/or in future may have in connection with, and arising out of the contracts, transactions, and occurrences related to the subject-matter of the Case, and/or any other past dealings.

(3) Should any claim be pending or filed by a third party in any court or forum against either of the parties hereto based on any assignment or transfer of rights of any kind from one of the parties hereto, the party who has effected or caused such assignment or transfer of rights shall be exclusively liable to such third party.

3

#### ARTICLE SIX

Upon the issuance by the Tribunal of the Award on Agreed Terms, Bank Mellat and Howland waive any and all claims for costs (including attorney's fees) arising out of or related to the arbitration, prosecution or defence of the claims asserted (or which might have been asserted) before the Iran-U. S. Claims Tribunal, U.S. courts or elsewhere with respect to and in connection with the matters involved in the Case.

#### ARTICLE SEVEN

Upon the issuance by the Tribunal of the Award on Agreed Terms, the releases, dismissals, waivers and withdrawals contained and referred to in this Settlement Agreement become self-executing. After the issuance of the Award on Agreed Terms by the Tribunal, no further documents need to be executed in implementing this Agreement.

#### ARTICLE EIGHT

(1) It is agreed that this Agreement is made in a spirit of private settlement of disputes, that it shall be null and void if not approved by the Tribunal and that it shall not affect any position of the Parties in any matter other than Case No. 12257. The Parties further agree that they shall not use, or cause any person to use this Agreement in the prosecution or defence of any cases before the Iran-U.S. Claims Tribunal or any other forum, except that the Parties may use this Agreement for the purpose of implementing its terms.

(2) This Agreement is made for the sole purpose of settling Case No. 12257. Nothing in this Agreement shall be relied upon, or construed as relevant to, or affect in any way any arguments Bank Mellat, or the Islamic Republic of Iran, its agencies, instrumentalities, and entities have raised, or may raise, concerning the jurisdiction or the merits of this case or any other cases whether before the Tribunal or any other forum.

(3) Nothing in this Agreement, including the releases and waivers set forth in Article 4 hereof, shall constitute or be construed as waiver of, or release from or affect in any way, any claim or counterclaim the Islamic Republic of Iran (as defined in Article VII(3) of the Claims Settlement Declaration) has or may in the future have against the United States (as defined in Article VII(4) of the Claims Settlement Declaration).

#### ARTICLE NINE

This Agreement shall be null and void if not approved by Bank Mellat authorities in Iran and not filed with the Tribunal by 30 Nov., 1989, and in that event, no party to this Agreement may rely upon, cite or publish its terms and the



Parties shall be placed in the same position as they were before the date of this Agreement.

ARTICLE TEN

For the purpose of construction and interpretation of this Agreement the entire Agreement shall be read and construed as a whole without giving any specific effect to any article separately.

ARTICLE ELEVEN

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

The representatives of the Parties hereto expressly declare that they are duly empowered to sign this Agreement and their signatures will commit their respective principals to fulfillment of their obligations under this Agreement without any limitations except as may otherwise be contained in this Agreement.

In witness whereof, the parties hereto have executed and delivered this Agreement.

T.G. Howland International  
Company, Limited.

By:

*G. Howland*  
*President*  
*5 May 1989*

Date:

Bank Mellat



By:

*Managing Director*

Date:

*4 Sept 1989*