

ORIGINAL DOCUMENTS IN SAFECase No. 187Date of filing: 22. Jan 88**\*\* AWARD**- Type of Award Correction- Date of Award 22. Jan 87

\_\_\_\_\_ pages in English

\_\_\_\_\_ pages in Farsi

**\*\* DECISION**

- Date of Decision \_\_\_\_\_

\_\_\_\_\_ pages in English

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**\*\* CONCURRING OPINION** of \_\_\_\_\_

- Date \_\_\_\_\_

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**\*\* SEPARATE OPINION** of \_\_\_\_\_

- Date \_\_\_\_\_

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**\*\* DISSENTING OPINION** of \_\_\_\_\_

- Date \_\_\_\_\_

\_\_\_\_\_ pages in English

\_\_\_\_\_ pages in Farsi

**\*\* OTHER; Nature of document:** \_\_\_\_\_

- Date \_\_\_\_\_

\_\_\_\_\_ pages in English

\_\_\_\_\_ pages in Farsi

CASE NO. 187  
CHAMBER THREE  
AWARD NO. 342-187-3

GORDON WILLIAMS,  
Claimant,  
and  
ISLAMIC REPUBLIC OF IRAN,  
BANK SEPAH,  
and BANK MELLAT (formerly  
Bank of Tehran),  
Respondents.

IRAN UNITED STATES CLAIMS TRIBUNAL	دیوان داورى دعاوى ایران - ایالات متحدہ
ثبت شد - FILED	
Date	22 JAN 1988
	۱۳۶۶ / ۱۱ / ۲
	187

CORRECTION TO AWARD

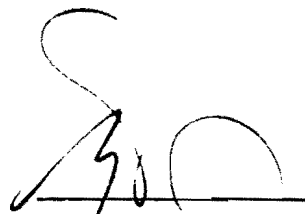
The following corrections are hereby made to the English text of the Award in this Case filed on 18 December 1987:

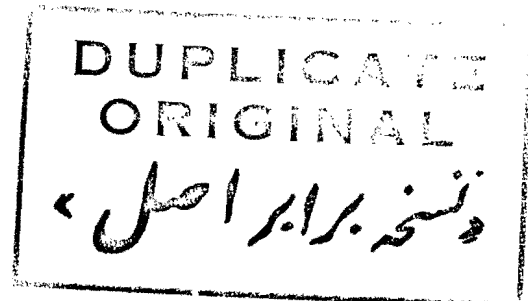
At page 10, paragraph 25, line 12, indent "The shipment in question is still in Iran" to form part of the quotation;

At page 14, paragraph 42, line 3, replace "11 November 1979" with "4 November 1979".

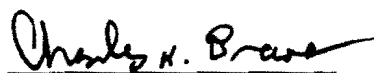
Copies of the corrected pages are attached.

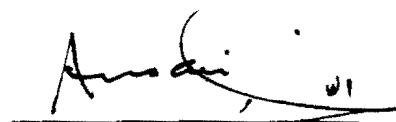
Dated, The Hague,  
22 January 1988

  
Michel Virally  
Chairman  
Chamber Three



In the name of God

  
Charles N. Brower

  
Parviz Ansari Moin

25. The final correspondence relative to this letter of credit is a letter from Lufthansa Airlines to Bank Sepah in Tehran dated 3 April 1982 stating that:

The shipment of above AWB [air waybill No. 220-14363731] arrived at Tehran via Lufthansa FLT No. 600 dated 17.1.1980. Since it was forwarded to Tehran by mistake, as asserted by the consignee of the goods Mr. Shahrokh Ordoubadi, he has requested that the shipment be returned. Also, as requested by the point of origin station, it should be returned to Los Angeles.

The shipment in question is still in Iran.

26. The Claimant states that he has requested information about the whereabouts of the equipment from Lufthansa but that Lufthansa has been unable to give him any information. The Claimant denies that the equipment was ever returned to the United States.

ii. The Claimant's Arguments

27. The Claimant argues that all the documents required for payment under the letter of credit were duly and timely submitted. He states that the letter of credit and accompanying documents were presented to Bank Sepah in New York on 28 January 1980, i.e., within the validity period of the letter of credit. Thereafter all the documents were sent to Bank Sepah in Iran on 31 January 1981, upon the instruction of the director of Bank Sepah in New York. According to the Claimant: "The documents must have arrived before the expiry of the credit on February 10, 1980."

28. The Claimant therefore alleges that Bank Sepah wrongfully withheld payment under letter of credit No. MA/68117/8 and requests an award ordering it to pay the sum of U.S.\$167,521 under this letter of credit.

41. The Tribunal finds that the Claimant has not adduced sufficient evidence on which to base a finding that a demand for payment under the letter of credit was timely received by Bank Sepah. The Tribunal therefore does not find any evidence that Bank Sepah breached its obligations under the letter of credit. The Tribunal therefore dismisses this part of the claim for lack of proof.

B. The Claim Under The Letter Of Credit No. SH 546521  
Issued By Bank Mellat

i. Factual Background

42. The price of a further shipment of irrigation equipment was covered by a second letter of credit, No. SH 546521 issued by Bank Mellat on 4 November 1979. This letter of credit reads as follows:

We open our above Irrevocable Documentary credit for account of Mr Mohammad Reza Tabrizi for Mr Shahrokh Ordoobadi ... In favour of Messrs K & S Irrigation Company ... for US\$:167,521 ... valid until 28th, Dec, 1979 in USA available at sight against the following documents: ... Full set and one non negotiable copies on Board Bill of Lading issued or endorsed to our order.

The letter of credit lists also the other documents required and states that it is subject to the UCP (1974 Revision). Manufacturers Hanover Trust Company was the advising bank for this letter of credit. By telegram dated 8 December 1979 Bank Mellat notified Manufacturers Hanover Trust Company that two amendments had been made to the letter of credit, extending its validity to 26 February 1980, and permitting shipment by way of "Los Angeles to Tehran by air way bill instead of B/L [Bill of Lading]." Bank Mellat does not dispute that Mr. Ordoubadi provided it with funds to cover the amount of the credit. The goods were delivered to Lufthansa Airlines on 8 January 1980 at the same time as the goods supplied under the Bank Sepah letter of credit and