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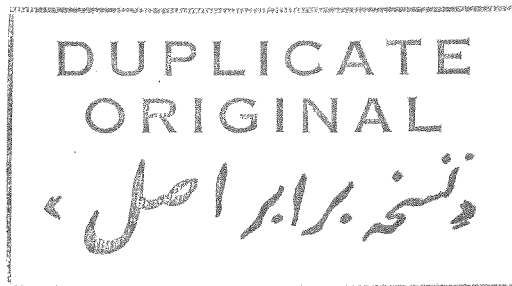
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CASE NO. 274
CHAMBER TWO
AWARD NO. 582-274-2

BETTY LAURA MONEMI,
Claimant,

and
THE ISLAMIC REPUBLIC OF IRAN,
BANK MELLI IRAN,
Respondents.

IRAN-UNITED STATES CLAIMS TRIBUNAL	دیوان داوری دعاری ایران - ایالات متحدہ
FILED	ثبت شد
DATE	20 JUN 1997
	تاریخ ۱۳۷۶ / ۳ / ۲۰

AWARD

Appearances:

For the Claimant:

Mrs. Betty Laura Monemi,
Claimant,
Dr. David Nassir Monemi,
Claimant's Husband.

For the Respondents:

Mr. M.H. Zahedin-Labbaf,
Agent of the Islamic Republic of
Iran,
Dr. Ali Akbar Riyazi,
Mr. Fridoon Momeni,
Mr. Gholamali Meshkinfam,
Legal Advisers to the Agent,
Mr. Rasool Badri Ahari,
Legal Assistant to the Agent,
Mrs. Narges Esfandiari,
Representative of Bank Melli Iran.

Also present:

Mr. Sean D. Murphy,
Agent of the United States of
America,
Mr. Allen S. Weiner,
Deputy-Agent of the United States
of America.

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I. INTRODUCTION

1. The Claimant, BETTY LAURA MONEMI, a United States national by birth and an Iranian national by marriage, filed a Statement of Claim on 14 November 1982 against THE ISLAMIC REPUBLIC OF IRAN and BANK MELLI IRAN ("the Respondents"). As a United States national, Mrs. Monemi presents claims for i) lost rent on a house in Shiraz, Iran; ii) loss of market value on that home; and iii) detention of monies on deposit at Bank Melli. In her final pleadings, she seeks compensation in the amount of U.S.\$368,478, plus interest.

2. The Respondents contend that Mrs. Monemi has not proved her claims and deny any liability.

3. The Statement of Claim was filed by Mrs. Monemi on behalf of herself and her children, Cameron Mitchell Monemi, Sara Glory Monemi and Dana Paul Monemi, seeking compensation for fifty percent of the total losses allegedly incurred. In its Partial Award of 1 July 1992, Chamber One found that during the relevant period, from the date the claims allegedly arose to 19 January 1981, the date on which the Claims Settlement Declaration ("CSD") entered into force, Mrs. Monemi and her children were nationals of both the United States and Iran. See Betty Laura Monemi, et al. and Islamic Republic of Iran, et al., Partial Award No. 533-274-1, para. 25 (1 Jul. 1992), reprinted in 28 Iran-U.S. C.T.R. 232, 240 (the "Partial Award"). That Chamber also held that of those four initial Claimants, only Mrs. Monemi's "dominant and effective nationality was that of the United States" during the relevant period. Id., paras. 30 & 32, 28 Iran-U.S. C.T.R. at 242 & 243. On this basis the Chamber concluded that Mrs. Monemi had "standing before this Tribunal under Article II, paragraph 1, and Article VII, paragraph 1," of the CSD. Id., para. 34, 28 Iran-U.S. C.T.R. at 243. See also, infra, para. 39. Under those same provisions, the Chamber found that the claims of the Monemi children were not claims of United States nationals, and consequently were "dismissed for lack of jurisdiction."

4. This Case was originally pending before Chamber One. Pursuant to a decision of the President on 15 November 1994, it was reassigned to Chamber Two.

5. A Hearing in this Case was held on 24 October 1996.

II. FACTS AND CONTENTIONS

1) Introduction

6. The personal, educational and professional backgrounds of Mrs. Monemi and her family are set out, in so far as they are relevant to this Case, in the Partial Award at paras. 6-14.

2) Background on Property in Iran

7. Mrs. Monemi asserts that in about 1969, while residing in Iran, she and her husband decided to pool their resources and invest in Iranian real estate. She alleges that 570,000 rials, derived entirely from her own earnings and held in her name at the Khalili Hospital Branch of Bank Omran, Shiraz, was paid towards the purchase of land in Mo'ali Abad, Shiraz. Mrs. Monemi states that the land was purchased in partnership with three other individuals and that the Monemis' share was registered in the name of Dr. Monemi.

8. In July 1973, the couple purchased another plot of land at Kooy-e-Ostadan No. 2, in Shiraz, also registering that property in Dr. Monemi's name. In order to finance the construction of a house on this plot, the Monemis' alleged share of the Mo'ali Abad land was sold, apparently raising a sum of 9,047,037 rials, and a bank loan was obtained by Dr. Monemi for 7,500,000 rials. Mrs. Monemi claims that, subsequently, a 837 square meter, three-story house was built on the Kooy-e-Ostadan land.

9. Mrs. Monemi maintains that she did not allow any property to be registered in her name because she was advised that Iranian law generally prohibited the ownership of landed property by non-Iranian nationals and that an entry of her name on a deed would imply acceptance of the Iranian citizenship bestowed upon her by Iranian law when she married an Iranian.

10. The Monemis appear to have lived in the house constructed on Kooy-e-Ostadan No. 2 until Mrs. Monemi and her children left Iran for the United States in February 1979. Her husband joined them there in August of that year.

11. Before leaving Iran, Dr. Monemi gave his brother, Mr. Nasser Monemi, power of attorney and instructed him to sell the house as soon as possible. Dr. Monemi also arranged for a colleague, Mr. Karami, to reside in the house in the meantime.

12. Nasser Monemi sold the house on 5 March 1980 for 27 million rials. He reported this fact to Dr. Monemi in a letter dated 11 March 1980. In that letter he noted that the "house had [had] three prospective customers" and that, he believed, in light of his "full knowledge of such transactions," that he had sold the house "at a good price compared to the current market price."

13. Nasser Monemi then opened a bank account at Bank Melli Shiraz Branch in Dr. Monemi's name and deposited 17,907,463 rials -- the amount that remained after the bank loan and various other expenses pertaining to the house and to Dr. Monemi's personal affairs had been paid.

3) Ownership

14. Mrs. Monemi bases her claims on an oral agreement that she and her husband allegedly entered into after their marriage which provided that all of their earnings and assets were to be shared equally. Mrs. Monemi contends that this agreement was not

reduced to writing because the couple considered marriage to be a lifelong commitment and saw no need to make contingent plans for divorce.

15. As evidence of this oral agreement, Mrs. Monemi alleges that her husband sent a letter dated 21 April 1980 addressed to Imam Khomeini, the then President Bani-sadr and the Islamic Revolutionary Council (the "letter of April 1980") which she says attests to the oral agreement between the couple. On record is a copy of that letter in which Dr. Monemi states that the proceeds of the sale of the Shiraz home was "the result of the joint efforts of myself and my wife, and thus, she is my partner."

16. Also relied on as proof of the couple's alleged joint ownership agreement is a complaint filed in August 1980 before the United States District Court for the District of Columbia by the Claimant, her husband and children against the present Respondents and several other defendants. In that complaint Mrs. Monemi states that she and her husband "entered into solemn and sacred marriage vows" and that from the beginning of their relationship and throughout their marriage, the couple "have held to common interests and objectives in both their personal and professional lives; and that their individual earnings have been willingly expended and invested in such mutual objectives at all times." She argues that these statements should carry considerable weight because they were made before the couple could have had any idea of their relevance to this Tribunal.

17. Mrs. Monemi further contends that her conduct throughout the years evidences the oral agreement between her and her husband. She asserts that she provided the family with financial support while her husband was in the process of completing his studies, that she moved with him to Iran, that she made her savings available to him for investment, and that her father disinherited her for marrying Dr. Monemi and moving with him to Iran. She asserts that she would never have done so "without the assurance,

and the moral guarantee of her husband to preserve and safeguard her rights"

18. The Respondents argue that Mrs. Monemi has failed to prove any ownership interest in the house in Shiraz or the bank deposit because the bank account is in Dr. Monemi's name, as was the deed of the house prior to its sale. In their view, the fact that Dr. Monemi is the record owner of these properties is dispositive.

19. The Respondents assert that Iranian and United States conflict-of-law rules dictate that the applicable law in this Case is that of Iran. They submit that under both Iranian and United States law the applicable law with respect to real estate is the lex situs and, consequently, the law of Iran must apply. Turning to Iranian law, the Respondents cite, among other provisions, Article 22 of the Iranian Registration Act, which provides that "[a]s soon as real property is registered according to law in the register of property, the government shall recognize as owner only the one in whose name the property has been registered" They additionally assert that under Iranian law, which is based on a regime of separation of properties of husband and wife, a wife's property acquired either before or after marriage belongs to her alone. It is their conclusion that had Dr. and Mrs. Monemi intended the property they acquired after their marriage to be owned jointly, then under Iranian law, they were required to record Mrs. Monemi's name in the title deed of the real property or in the documents of Bank Melli. Because they failed to do so, according to the Respondents, Mrs. Monemi has no ownership interests in the property.

20. Mrs. Monemi believes that the Respondents' concern with choice-of-law rules governing the rights to marital property is misplaced. In her view, there is no need to determine which law would apply to the property rights of spouses or the substance of that law because the Monemis have already entered into an agreement addressing those matters, and neither party to the

agreement disputes the existence or the terms of the agreement.¹

4) Claim for Loss of Rent on Shiraz House

21. Mrs. Monemi contends that, but for the actions of the Government of Iran, the Monemis could have rented the Shiraz house after Dr. Monemi left for the United States. According to Mrs. Monemi, before the enactment of what she refers to as confiscatory legislation, viz., the Grant and Reclamation Act of 16 September 1979, see infra, para. 22, there were rumors and media reports suggesting that the Government of Iran was expropriating or was about to expropriate certain properties. One particular rumor, Mrs. Monemi asserts, was that the Government of Iran planned to grant tenants ownership rights in the properties they rented. In light of these rumors and media reports, the Monemis feared that if the Shiraz house were rented, they might lose it. Thus, instead of renting the house, they made arrangements for Mr. Karami, a university colleague of Dr. Monemi, to reside in it as a caretaker.

22. Mrs. Monemi also relies on the Regulations for the Sale and Lease of Empty houses as reported in the Kayhan newspaper on 2 July 1980 which stated that, under those regulations, all renting of empty houses would be undertaken by the Office of Housing Transactions. Additionally, she points to what she calls the Islamic Land Reform Act of 16 September 1979² (the "Grant and Reclamation Act") and contends that it confirmed the above noted rumors and media reports.

23. The Respondents argue that the legislation to which Mrs.

¹ Mrs. Monemi has also asserted that Pennsylvanian law applies to this matter and that it permits the type of agreement which she alleges.

² It is the Tribunal's understanding that the Claimant is referring to the Law Concerning the Manner of Grant [of Usufruct] and Reclamation of Lands within the Jurisdiction of the Islamic Republic of Iran, approved on 16 September 1979.

Monemi refers has nothing to do with granting ownership interests to tenants, and they deny that it or any other law prevented or deterred the Monemis from renting their home.

24. During the period between 16 September 1979 through 5 March 1980, the respective dates of the enactment of the Grant and Reclamation Act and the sale of the house, Mrs. Monemi estimates that there was a loss of rent in the amount of U.S.\$25,520. She maintains that she is entitled to 50 percent of this amount, i.e., U.S.\$12,760, plus interest at a rate of 10 percent from 5 March 1980.

5) Alleged Loss in Value of House in Shiraz

25. Mrs. Monemi contends that the 1979 land reform policies and actions of the new Government in Iran forced the Monemis to sell their house at a substantially lower price than they would have otherwise received. She argues that the Grant and Reclamation Act authorized the Government to abrogate the ownership of undeveloped urban lands thereby "bringing land transactions in such places, including Shiraz, to a halt, and resulting in drastic devaluation of land and property in general."

26. Mrs. Monemi submits that, as a result of the rumors and media reports mentioned supra, at para. 21, and the enactment of the 1979 Grant and Reclamation Act, the couple decided to sell the Shiraz house at any cost. The house was sold through Nasser Monemi who was given a power of attorney by Dr. Monemi. The sale took place on 5 March 1980, and the house allegedly brought a price of 27 million rials which, at a rate of 79.5 rials per dollar (the rate in 1980), converts to U.S.\$339,623. Mrs. Monemi assesses the lost value of the property to be U.S.\$455,754 and asserts that she is entitled to 50 percent of the loss, i.e. U.S.\$227,877, plus 10 percent interest from 16 September 1979, the date of the enactment of the 1979 Grant and Reclamation Act.

27. The Respondents argue that the Grant and Reclamation Act has nothing to do with the claimed loss of value on the Shiraz house. They also allege that Mrs. Monemi has offered inconsistent reasons for selling the house, and they point out that Dr. Monemi's April 1980 letter states that he sold the house, not because of any actions on the part of Iran, but because he needed the money to "manage [himself] and [his] family and continue [his] medical treatment." Finally, the Respondents submit that an action taken by a government as a means of planning for public welfare and housing, even if it creates a decrease in the value of real estate constitutes "part of duties and authorities arising from economic sovereignty of every State." These measures, according to the Respondents, do not create State responsibility under international law.

28. Mrs. Monemi replies that the relevant point is that her husband was forced by Iran's actions to sell the house under duress for any price offered, and the personal reasons for its sale are irrelevant to the question of Iran's liability.

6) Detention of Funds in Bank Account

29. Finally, Mrs. Monemi charges the Respondents with unlawfully detaining 17,907,463 rials in a savings account at Bank Mellî, held in the name of Dr. Monemi. That amount, deposited on 30 March 1980 by Nasser Monemi, constituted the proceeds of the sale of the Shiraz house, less 6,288,911 rials used to repay a bank loan and other bills. In her Statement of Claim, Mrs. Monemi asserts that one-half of the deposit has at all times been her property, which she has determined to hold in trust for her three children, but she has not subsequently reduced the amount claimed after the dismissal of her children's claims.

30. Mrs. Monemi alleges that the detention resulted from the ratification of the Bank Nationalization Law of 11 June 1979, which, she claims, disabled banks in Iran from transferring money

abroad without the approval of the Islamic Revolutionary Council of Iran.

31. Mrs. Monemi maintains that, as a result of this prohibition, Dr. Monemi sent his April 1980 letter to the Revolutionary Council, Imam Khomeini, and the then President -- those who Dr. Monemi thought were then in control of all banks in Iran. In the letter, he asked that the addressees "give a directive for the remaining proceeds from the sale of the house to be exchanged justly and transferred to me." Not receiving a response to Dr. Monemi's letter, the Monemis proceeded to bring suit in the United States District Court. Among numerous other allegations in that suit, the Monemis alleged that "[b]ecause of the restraint imposed against transfer of funds to citizens of the United States," the proceeds from the sale of their house were being detained at Bank Melli.

32. Mrs. Monemi asserts that the suit was filed in August 1980 and that a hearing was held on 31 October 1980 but that the suit was suspended by the presiding judge in accordance with an executive order issued by President Carter.

33. At the Hearing before this Tribunal, Dr. Monemi conceded that neither he nor his brother in Iran, acting as attorney-in-fact, ever discussed with or requested from Bank Melli the exchange and transfer of the deposited monies to the United States. It was thought that approaching the Bank would have been futile.

34. Mrs. Monemi submits that after filing the United States civil suit, the Respondents blocked the account at issue but within a few days removed the restrictions. At the end of January 1981, it is contended that Nasser Monemi, against the instructions of Dr. Monemi, withdrew almost the entire balance in rials intending to deposit it in another bank which in his view had "a better sense of responsibility." Under direction from Dr. Monemi, however, Nasser redeposited the money in the

original Bank Melli account.

35. As evidence for her contentions, Mrs. Monemi points to a 22 February 1981 letter from Nasser Monemi to Dr. Monemi in which Nasser reports that Bank Melli had blocked the account but then had reopened it soon after. Mrs. Monemi also submits a 25 May 1982 letter from Nasser Monemi to his brother in which Nasser relates that Bank Melli had again blocked withdrawals from the account. Finally, Mrs. Monemi points to a bank statement submitted by the Respondents, which states that the account has been blocked since 11 January 1983. At the Hearing, the representative of Bank Melli stated that this restriction on the account was only for a temporary period.

36. The Respondents maintain that the rials in the account are and always have been at the disposal of Dr. Monemi and that the Bank has always performed its obligations with respect to the account in question. They further point to bank statements which show that Nasser Monemi, using his power of attorney, made rial deposits and withdrawals from the account before and after the Algiers Declarations entered into force.

37. The Respondents also argue that this claim is not outstanding as required by Article II, paragraph 1, of the CSD because, prior to the entry into force of the Algiers Declarations, no demand was made to convert the rials into dollars and transfer them abroad. They assert that the letter of April 1980 did not make the claim outstanding because the addressees were in no position to grant Dr. Monemi's request. Moreover, according to the Respondents, even if a proper request had been made to Bank Melli, it could have done nothing other than to act within the limits of prevailing Iranian foreign exchange regulations which did not allow such a conversion and transfer abroad and which were maintained in accordance with the International Monetary Fund Agreement.

38. Mrs. Monemi submits that in 1980 the United States dollar

equivalent of the deposit amounted to U.S.\$255,682 and her 50 percent share of this figure is U.S.\$127,841. Thus, she seeks \$127,841 plus 10 percent interest from 21 April 1980, the date of Dr. Monemi's April 1980 letter.

III. JURISDICTION

1) Nationality of the Claimant

39. In its Partial Award in this Case, Chamber One held that Mrs. Monemi was a national of both the United States and Iran, and that her dominant and effective nationality, during the relevant period, was that of the United States. Thus, Mrs. Monemi's claims are claims of a United States national within the meaning of Article II, paragraph 1 and Article VII, paragraph 1, of the CSD. See also, supra, para. 3.

2) Jurisdiction over Bank Melli

40. It is undisputed that Bank Melli is an "entity controlled by the Government of Iran" that falls within the Tribunal's jurisdiction as required by Article VII, paragraph 3, of the CSD.

3) Subject Matter Jurisdiction

41. The present claims are for the alleged loss of rent, loss of market value of a house and detention of bank account funds. Thus, they fall within the Tribunal's subject matter jurisdiction of claims arising "out of . . . expropriations or other measures affecting property rights" pursuant to Article II, paragraph 1, of the CSD.

4) Outstanding Claims

42. Article II, paragraph 1, of the CSD, limits the jurisdiction of the Tribunal to claims outstanding on 19 January 1981. Mrs. Monemi's claims for the lost rent and loss of market value of the Shiraz house are alleged to have arisen on 16 September 1979, the date the Grant and Reclamation Act was enacted, and are thus outstanding claims for jurisdictional purposes.

43. In relation to the bank deposit claim, the Respondents argue that it was not outstanding on 19 January 1981 because no demand on the account had been made before the Algiers Declarations entered into force. Mrs. Monemi replies that an appropriate demand was made in her husband's letter of April 1980 and that the United States lawsuit also constituted a demand.

44. In previous awards the Tribunal has held that the mere entitlement to payment from a bank account is not a "claim" within the meaning of the CSD; rather, a demand to the bank where the account is actually held for the exchange and transfer of funds abroad must be made prior to 19 January 1981. See Tippetts, Abbett, McCarthy, Stratton and TAMS-AFFA Consulting Engineers of Iran, et al., Award No. 141-7-2, at 7 (29 Jun. 1984), reprinted in 6 Iran-U.S. C.T.R. 219, 223; and Computer Sciences Corporation and Islamic Republic of Iran, et al., Award No. 221-65-1, at 37-43 (16 Apr. 1986), reprinted in 10 Iran-U.S. C.T.R. 269, 298-302.

45. In the present Case, however, the Tribunal must consider as a preliminary matter whether the lawsuit instituted in the United States against the Iranian bank at which the deposit is kept constitutes an adequate demand. Although this course is not the ordinary one for demanding bank funds, the Tribunal is satisfied that for jurisdictional purposes the suit created a clear and outstanding claim for the exchange and transfer of funds for jurisdictional purposes. This conclusion is supported by Article II, paragraph 1, of the CSD which provides that a claim must be

"outstanding on the date of this Agreement, whether or not filed with any court" The inclusion of the phrase "whether or not filed with any court" indicates the obvious: that a claim arises by the institution of court proceedings. Consequently, the Tribunal rejects the Respondents' jurisdictional objection and finds that the claim for the detention of the bank deposit was outstanding on 19 January 1981.

46. This jurisdictional finding, however, does not resolve the issue of Bank Melli's liability on the merits. See infra, paras. 54-58.

5) Ownership of the Claims

47. Mrs. Monemi alleges that she held ownership rights in the sold home and in the Bank Melli deposit, rights which she says are capable of being asserted before this Tribunal. Her assertions as to ownership are based on an alleged oral agreement with her husband to the effect that all their assets would be owned jointly. The Respondents are of the view that she lacks locus standi because the bank account is Dr. Monemi's name and the deed of the house was, prior to its sale, in his name. Consequently, they contend that he, and not Mrs. Monemi, was or is the owner of those assets and, therefore, he is the only person capable of instituting proceedings relating to those assets.

48. In light of its conclusions on the merits, see infra, paras. 50-58, the Tribunal need not determine whether Mrs. Monemi is a beneficial owner of the property at issue in this Case.

6) Conclusion on Jurisdiction

49. Taking into consideration all that was said in paras. 48-49 supra, the Tribunal determines that it has jurisdiction over the

present claims.

IV. MERITS

1) Loss of Rent

50. The claim for lost rent on the house in Shiraz is not supported by evidence on which the Tribunal can conclude that Iran is liable for any loss of rental income. Mrs. Monemi's belief that a tenant might acquire ownership of the house if it had been rented is not justified on the evidence she has presented. The Kayhan newspaper report of 2 July 1980 does not have any bearing on this issue, first, because the governmental actions it reported appear to have taken place more than four months after the sale of the Shiraz house and, second, because the report indicates nowhere that the Government was granting ownership of residential properties to occupying tenants. The report suggests, at most, that the Iranian Government intended to buy empty houses, not confiscate them from their owners. Mrs. Monemi has not identified any other law that would have authorized the Government to grant ownership of rental properties to the tenants residing in them, nor has she substantiated her assertions that there existed rumors and media reports of these governmental actions. Consequently, this claim is dismissed for lack of proof.

2) Loss of Real Estate Value

51. Similarly, Mrs. Monemi has not proved to the satisfaction of the Tribunal that the actions of Iran decreased the value of the Shiraz house and constituted an expropriation or measures affecting her alleged property rights. She relies on the Grant and Reclamation Act which, according to her, resulted in "a drastic devaluation of land and property in general." The Tribunal holds, however, that that enactment has no relevance to

a house such as the one at issue. Further, Mrs. Monemi does not point to any other law or governmental action that directly affected the value of the house in Shiraz before it was sold.

52. Nasser Monemi's letter of 11 March 1980 makes clear that three offers were received on the house, that Nasser took the best one, and that the sale price was "good" in light of "the current market price." Thus, in view of the prevailing conditions at the time, the house appears to have been sold at a fair market value. It is, of course, possible that the value of the house decreased as a result of political, social and economic conditions existing during and after the Revolution, but this is not a loss for which Iran can be held liable. See Sedco, Inc. and National Iranian Oil Company, et al., Award No. 309-129-3, para. 31 (7 Jul. 1987), reprinted in 15 Iran-U.S. C.T.R. 23, 35; Harold Birnbaum and Islamic Republic of Iran, Award No. 549-967-2, para. 42 (6 Jul. 1993).

53. The Tribunal concludes that Mrs. Monemi has not met her burden of establishing that the home decreased in value or that Iran is liable for the actions alleged by her in this regard. Thus, this claim also is dismissed for lack of proof.

3) Detention of Funds in Bank Account

54. Although the Tribunal has already found that the lawsuit filed in the United States constituted an outstanding claim for jurisdictional purposes, the Tribunal must examine on the merits whether Bank Melli is liable to compensate Mrs. Monemi.

55. The evidence shows that Nasser Monemi was able to withdraw rials freely before and even after the Algiers Declarations were signed. So, to the extent Mrs. Monemi's claim is one for detention of rials, it must fail.

56. However, Mrs. Monemi also contends that despite certain

requests in the form of the 1980 letter to Imam Khomeini and the subsequent United States lawsuit, Bank Melli failed to exchange rials in the bank account and transfer them abroad. While she states that attorneys for Iran were present at a hearing held in the United States civil action, there is no clear evidence to show that Bank Melli was notified of the suit before the Algiers Declarations were concluded on 19 January 1981. Moreover, even if Bank Melli had been made aware of the United States lawsuit, the Tribunal does not accept that the mere filing of that court action could be construed as a demand on Bank Melli to exchange and transfer funds abroad. A foreign lawsuit simply does not serve the same function as a properly executed request for such exchange and transfer of funds; that is, a request signed by the account holder or his agent and executed in compliance with the procedures of the bank at which the funds are held. For these reasons, the Tribunal finds that the lawsuit instituted in the United States cannot constitute a properly executed demand for the exchange and transfer of funds abroad.

57. The Tribunal finally notes that without a proper demand upon Bank Melli to exchange and transfer foreign currency abroad, the issue concerning a permission from Bank Markazi does not arise.

58. Accordingly, this claim is dismissed on the merits.

V. COSTS

59. Each Party shall bear its own costs of arbitrating these Claims.

VI. AWARD

60. For the foregoing reasons,

THE TRIBUNAL AWARDS AS FOLLOWS:

- a) The Claims asserted by the Claimant, BETTY LAURA MONEMI are dismissed.
- b) Each Party shall bear its own costs of arbitrating these Claims.

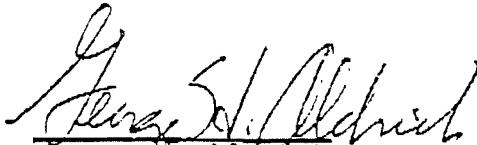
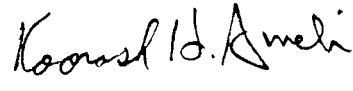
Dated, The Hague

20 June 1997



Krzysztof Skubiszewski
Chairman
Chamber Two

In the Name of God


George H. Aldrich
Koorosh H. Ameli