

396-199

ORIGINAL DOCUMENTS IN SAFE

Case No. 396

Date of filing: 19/10/92

** AWARD - Type of Award AAT
- Date of Award 19 OCT 1992
3 pages in English 3 pages in Farsi

** 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

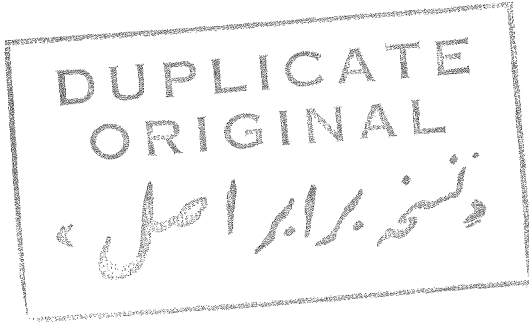
** DISSENTING OPINION of _____
- Date _____
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** OTHER; Nature of document: _____

- Date _____
_____ pages in English _____ pages in Farsi

IRAN-UNITED STATES CLAIMS TRIBUNAL

دیوان داری دعاوی ایران - ایالات متحدہ



CASE NO. 396

CHAMBER ONE

AWARD NO. 538-396-1

ATLANTIC RICHFIELD COMPANY,
Claimant,
and
THE GOVERNMENT OF THE
ISLAMIC REPUBLIC OF IRAN,
NATIONAL IRANIAN OIL COMPANY,
Respondents.

IRAN-UNITED STATES CLAIMS TRIBUNAL	دیوان داری دعاوی ایران - ایالات متحدہ
FILED	ثبت شد
DATE	19 OCT 1992
	تاریخ ۱۳۷۱/۷/۲۷

AWARD ON AGREED TERMS

1. On 28 September 1992, a Joint Request for an Arbitral Award on Agreed Terms ("Joint Request") was filed with the Tribunal, which was signed by representatives of the Claimant, ATLANTIC RICHFIELD COMPANY, and the Respondents, THE GOVERNMENT OF THE ISLAMIC REPUBLIC and NATIONAL IRANIAN OIL COMPANY. The Joint Request asks that the Tribunal record a Settlement Agreement dated 14 August 1992 ("Settlement Agreement") as an Arbitral Award on Agreed Terms, pursuant to Article 34, paragraph 1, of the Tribunal Rules. The Settlement Agreement was entered into by Atlantic Richfield Company on the one part, and the Government of the Islamic Republic of Iran, and National Iranian Oil Company on its own behalf and on behalf of and as successor to Lavan Petroleum Company, on the other part. A copy of both the Joint Request and the Settlement Agreement is attached.

2. The Settlement Agreement provides, inter alia, for certain releases, waivers, transfers, undertakings, declarations and obligations. The Tribunal notes that the Settlement Agreement does not provide for any payment from 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.

3. The Tribunal accepts the Settlement Agreement dated 14 August 1992 in accordance with Article 34, paragraph 1, of the Tribunal Rules.

4. Pursuant to the foregoing,

THE TRIBUNAL AWARDS AS FOLLOWS:

i) The Settlement Agreement is hereby recorded as an Award on Agreed Terms binding on ATLANTIC RICHFIELD COMPANY, THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN, and NATIONAL IRANIAN OIL COMPANY, in full and final settlement of the entire Case.

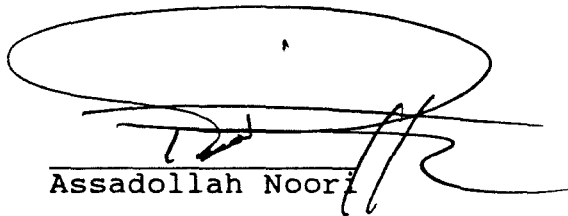
ii) The Tribunal declares the proceedings in Case No. 396 terminated in its entirety and with prejudice.

Dated, The Hague
19 October 1992

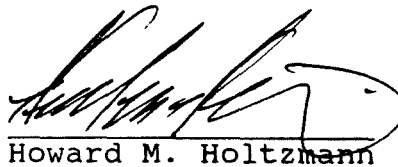


Bengt Broms
Chairman
Chamber One

In the Name of God



Assadollah Noori



Howard M. Holtzmann

CLAIMS TRIBUNAL	ثبت شد
FILED	تاریخ
DATE 28 SEP 1992	۱۳۷۱ / ۷ / ۶

ATLANTIC RICHFIELD COMPANY,
Claimant,
 and
 THE ISLAMIC REPUBLIC OF IRAN,
 NATIONAL IRANIAN OIL COMPANY,
 LAVAN PETROLEUM COMPANY,
Respondents.

Case No. 396
 Chamber One

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**JOINT REQUEST FOR ARBITRAL
 AWARD ON AGREED TERMS**

Pursuant to Article 34 of the Rules of Procedure of the Iran-United States Claims Tribunal (the "Tribunal"), Atlantic Richfield Company ("Claimant"), a Delaware corporation, on one part, and the Government of the Islamic Republic of Iran ("Iran"), National Iranian Oil Company ("NIOC"), and National Iranian Oil Company on behalf of and as successor to Lavan Petroleum Company ("LAPCO"), hereinafter collectively called "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.

The Settlement Agreement, which was entered into on 14th August 1992, provides for the 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. 396.

The representatives of the Parties expressly declare and warrant that they are duly empowered to sign this Joint Request, and the signing and submission of the Joint Request by the representatives of Iran, NIOC, for itself and on behalf of and as successor to LAPCO, and Claimant shall signify that all necessary authorities have given their approval.

Respectfully submitted,

The Islamic Republic of Iran

Atlantic Richfield Company

By: 

By: 

National Iranian Oil Company

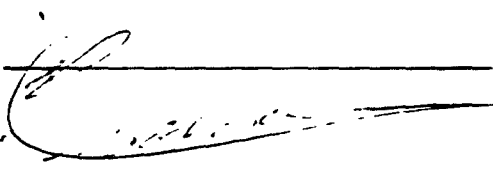
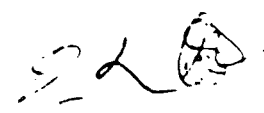
By: 

Exhibit 1



IRAN-UNITED STATES CLAIMS TRIBUNAL

IRAN-UNITED STATES CLAIMS TRIBUNAL	ایران - ایالات متحده
FILED	ثبت شد
DATE	28 SEP 1992
	تاریخ ۱۳۷۱ / ۷ / ۴

ATLANTIC RICHFIELD COMPANY,
Claimant,
and

THE ISLAMIC REPUBLIC OF IRAN,
NATIONAL IRANIAN OIL COMPANY,
LAVAN PETROLEUM COMPANY,
Respondents.

Case No. 396
Chamber One

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into this 14th day of August, 1992, by and between Atlantic Richfield Company ("Claimant"), a corporation organized and existing under the laws of the State of Delaware, on one part; and the Government of the Islamic Republic of Iran ("Iran"), National Iranian Oil Company ("NIOC"), and National Iranian Oil Company on behalf of and as successor to Lavan Petroleum Company ("LAPCO"), hereinafter collectively called "Respondents," on the other part. Claimant and Respondents are hereinafter collectively referred to as the "Parties."

WHEREAS, Claimant filed a Statement of Claim with the Iran-United States Claims Tribunal ("the Tribunal") raising certain claims against the Respondents relating to the Service Agreement between Claimant and LAPCO, which claim was docketed by the Tribunal as Case No. 396;

WHEREAS, Respondents have asserted defenses and filed counterclaims in Case No. 396;

WHEREAS, the Parties desire to resolve and to make full, complete, and final settlement of all their claims and disputes existing or capable of arising between them related to Case No. 396 and the claims and counterclaims filed therein;

NOW, THEREFORE, the Parties agree:

1. In consideration of the 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 including but not limited to the Service Agreement, and events in any manner related to the subject matter of the Statement of Claim, counterclaims, and other submissions by the Parties in Case No. 396, and in consideration of the covenants and promises set forth herein, Claimant for itself and for its subsidiaries, affiliates, predecessors, successors, and assigns hereby:

- (a) releases, quitclaims, and forever discharges Respondents and their affiliates, subsidiaries, agencies, instrumentalities, predecessors, successors, and assigns, from and against any and all claims, demands, losses, damages, suits, actions and causes of action of any nature, whether in rem or in personam or other-

wise, which they have ever had, now have or may have in the future arising out of or in connection with Case No. 396;

- (b) quitclaims to Respondents all rights, title, and interest in LAPCO's properties that were kept in Iran or outside of the United States or the United Kingdom of Great Britain and Northern Ireland; and
- (c) releases and quitclaims to the Respondents all rights, title and interest in account number 910-1-222025 at the Chase Manhattan Bank, New York, New York.

2. In consideration of the 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 including but not limited to the Service Agreement, and events in any manner related to the subject matter of the Statement of Claim, counterclaims, and other submissions by the Parties in Case No. 396, and in consideration of the covenants and promises set forth herein, Respondents for themselves and for their affiliates, subsidiaries, agencies, instrumentalities, predecessors, successors, and assigns hereby release, quitclaim and forever discharge Claimant and its subsidiaries, affiliates, predecessors, successors, and assigns, including specifically ARCO Crude Trading, Inc., from and against any and all claims, demands, losses, damages, suits, actions and causes of action of any nature, whether in rem or in personam or otherwise, which they have ever had, now have or may have in the future arising out of or in connection with Case No. 396, including, but not limited to:

- (a) purchases of crude oil prior to the execution of this Settlement Agreement; and
- (b) all property designated in 1979 for eventual shipment to LAPCO and now held in storage in the United States or the United Kingdom of Great Britain and Northern Ireland.

3. In consideration of the covenants and promises set forth herein, Claimant, its subsidiaries, affiliates, parents, predecessors, successors and assigns shall indemnify and hold harmless Respondents, their affiliates, subsidiaries, agencies, instrumentalities, predecessors, successors and assigns against any claim, counterclaim, action or proceeding that any or all of the Claimant and its subsidiaries, affiliates, parents, predecessors, successors and assigns may raise, assert, initiate or take against any or all of the Respondents, their affiliates, subsidiaries, agencies, instrumentalities, predecessors, successors and assigns relating to, or arising out of, or capable of arising out of, the contracts, transactions, relationships, rights, or occurrences including but not limited to the Service Agreement and any matters that are the subject of the claims raised in Case No. 396.

4. In consideration of the covenants and promises set forth herein, Respondents, their affiliates, subsidiaries, agencies, instrumentalities, predecessors, successors, and assigns shall indemnify and hold harmless Claimant, its subsidiaries, affiliates, parents, predecessors, successors and assigns against any claim, counterclaim, action or proceeding that any or all of the Respondents, their affiliates, subsidiaries, agencies, instrumentalities,

predecessors, successors and assigns may raise, assert, initiate or take against any or all of the Claimant, its subsidiaries, affiliates, parents, predecessors, successors and assigns relating to or arising out of, or capable of arising out of, the contracts, transactions, relationships, rights or occurrences, including but not limited to the Service Agreement and any matters that are the subject of the counterclaims raised in Case No. 396.

5. Upon the issuance of the Arbitral Award on Agreed Terms, the Parties shall not directly, 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 each other or any of their respective subsidiaries, affiliates, parents, predecessors, successors, assigns, agencies, or instrumentalities, including specifically ARCO Crude Trading, Inc., with respect to the subject matter of the claims and counterclaims in Case No. 396.

6. Upon the issuance of the Arbitral Award on Agreed Terms, the Parties shall waive any and all claims for costs, including attorneys' fees, arising out of or related in any way to the arbitration, prosecution, or defense of any claim before any forum including the Iran-United States Claims Tribunal with respect to Case No. 396.

7. This Settlement Agreement is for the sole purpose of settling the disputes at issue in Case No. 396. Nothing in this Settlement Agreement shall be relied upon or construed as relevant to or to affect in any way any argument or position that the Parties or their subsidiaries, affiliates, parents, predecessors, successors, assigns, agencies or instrumentalities have raised or may raise concerning the jurisdiction or the merits of this case or other cases, whether before the Tribunal or any other forum or fora. This Settlement Agreement shall not constitute a legal precedent for any person or Party, and shall not be used except for the sole purpose of giving effect to its terms, and shall not prejudice or affect other rights of the Parties or the rights of any other person in other cases before the Tribunal or elsewhere.

8. The releases, waivers, transfers, undertakings, declarations, obligations, and agreements herein are self-executing upon the issuance of the Arbitral Award on Agreed Terms, and need not be authorized, evidenced, or signified by any additional document, agreement, or other writing.

9. By September 28, 1992, the Parties shall submit to the Tribunal a Joint Request for Arbitral Award on Agreed Terms in the form attached as Exhibit 1 ("Joint Request") asking the Tribunal to record this Settlement Agreement as an Arbitral Award on Agreed Terms giving effect to this Settlement Agreement. The Parties agree to take all reasonable steps necessary to file the Joint Request as soon hereafter as possible and to cooperate to effect the expeditious issuance by the Tribunal of an Arbitral Award on Agreed Terms. The Joint Request may be filed with the Tribunal by any Party on or after September 28, 1992, and such filing shall constitute the request of all Parties that the Tribunal record this Settlement Agreement as an Arbitral Award on Agreed Terms giving effect to this Settlement Agreement. Prior to September 28, 1992, Claimant may deliver written notice to any of the Respondents, or any Respondent may deliver written notice to the Claimant, at an address or in a manner designated by or acceptable to the Party receiving notice,

that the Party receiving notice may file the Joint Request with the Tribunal. Such filing shall constitute the request of all Parties that the Tribunal record this Settlement Agreement as an Arbitral Award on Agreed Terms giving effect to this Settlement Agreement. Prior to October 28, 1992, neither Claimant nor Respondents shall request the Tribunal to amend, modify or change the terms of the Tribunal's scheduling Order in Cases 20 and 21 filed July 17, 1992, Tribunal document number 635. If the Joint Request is not submitted by October 28, 1992, this Settlement Agreement shall be null and void and of no effect whatsoever, unless otherwise agreed upon in writing by the Parties.

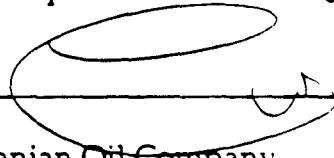
10. If for any reason the Arbitral Award on Agreed Terms is not issued, final, and binding, in accordance with the Tribunal Rules, within 30 days of the filing of the Joint Request, then, unless otherwise agreed in writing by the Parties, the Tribunal shall resume jurisdiction over all claims and counterclaims in Case No. 396 and the Parties shall be placed in the same positions as they had occupied prior to this Settlement Agreement as if it had not been entered into.


11. The representatives of the Parties expressly declare that they are duly empowered to sign this Settlement Agreement and that their signatures will commit their respective principals to fulfillment of their obligations under this Settlement Agreement without any limitations whatsoever, and the signing of this Settlement Agreement by the representatives of Iran, NIOC, for itself and on behalf of and as successor to LAPCO, and Claimant shall signify that all such authorities have given their approval.

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

13. This Settlement Agreement (in four originals in each language) has been written and signed in both English and Persian, and each text shall have equal validity.

IN WITNESS WHEREOF, the Parties have executed and delivered this Settlement Agreement this 14th day of August, 1992.

The Islamic Republic of Iran ⁸⁻
By: 
National Iranian Oil Company

Atlantic Richfield Company
By: 

By: 